

**Jennifer Wood**  
**Mayor**

**J. Carlos Gomez**  
**Mayor Pro Tem**

**Chuck McGuire**  
**Councilmember**

**Donald Parris**  
**Councilmember**

**Eugene Stump**  
**Councilmember**



## **AGENDA**

### **CITY OF CALIFORNIA CITY SPECIAL JOINT MEETING OF THE SUCCESSOR AGENCY FOR THE CALIFORNIA CITY REDEVELOPMENT AGENCY AND THE CITY COUNCIL**

**Tuesday September 12, 2017**  
**5:30 p.m.**

Council Chambers  
21000 Hacienda Blvd.  
California City, Ca 93505

If you need special assistance to participate in this meeting, please contact the City Clerk's office at (760) 373-7140. Notification of 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 American Disabilities Act Title II)

**NOTE:** Any writings or documents provided to a majority of the City Council regarding any item on this agenda is available for public inspection in the City Clerk's office at City Hall located at 21000 Hacienda Blvd, California City, Ca during normal business hours, except such documents that relate to closed session items or which are otherwise exempt from disclosure under applicable laws. These writings are also available for review in the public access binder in the Council Chambers at the time of the meeting

September 12, 2017

***\*\*At this time, please take a moment to turn off your cell phones\*\****

5:30 P.M. CLOSED SESSION

**CALL TO ORDER**

**ROLL CALL**

Councilmembers McGuire, Parris, Stump, Mayor Pro Tem Gomez, Mayor Wood

**ADOPT AGENDA**

**PUBLIC COMMENTS**

Members of the public are welcome to address the City Council only on those items on the Closed Session agenda. Each member of the public will be given three minutes to speak.

**CLOSED SESSION / CITY COUNCIL**

**CS 1.** Pursuant to Cal Gov't Code §54956.9(d)(2): Potential Litigation (1) Case

**REPORT OUT OF CLOSED SESSION**

6:00 P.M. SUCCESSOR AGENCY & CITY COUNCIL

**ROLL CALL**

Councilmembers McGuire, Parris, Stump, Mayor Pro Tem Gomez, Mayor Wood

**CITY CLERK REPORTS / LATE COMMUNICATIONS**

**PRESENTATIONS**

Police Department – Chief Hurtado

Norrrn Hill Aviation – Norm Hill

**STAFF ANNOUNCEMENTS / REPORTS**

Police Chief Hurtado – Department Update

Fire Chief Vincent – Department Update

Public Works Director Platt – Department Update

Finance Director O'Laughlin – Department Update

Parks & Recreation Supervisor Daverin – Parks and Recreation Update

City Manager Weil – City Updates

AB 1234 – Council Updates

**CIVIC / COMMUNITY / ORGANIZATIONS ANNOUNCEMENTS**

September 12, 2017

**PUBLIC BUSINESS FROM THE FLOOR** This portion of the meeting is reserved for persons desiring to address the City Council on any matter not on this agenda, and over which the City Council has jurisdiction. Please state your name for the record and limit your comments to three minutes.

**CONSENT CALENDAR** All items on the consent calendar are considered routine and non-controversial and will be approved by one motion if no member of the Council, staff or public wishes to comment or ask questions. (Public comments to be limited to three minutes) Roll call vote required.

**CC 1.** Approve City check registers dated through 09/07/17

**CC 2.** Approve minutes: Special Meeting of 02/14/17 and Regular Meeting of 02/28/17

**CC 3. READING OF ORDINANCES**

Waive reading in full of all ordinances under consideration and read by title only.

Adopt **“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CALIFORNIA CITY AMENDING TITLE 5, CHAPTER 6, ENTITLED “MEDICAL MARIJUANA BUSINESSES AND ACTIVITY”**

**PUBLIC HEARING**

**PH 1.** Proposed Ordinance: Initial Study, Mitigated Negative Declaration, and Zone Change 187 – Public Works Director

**PUBLIC HEARING PROCEDURE**

- A. Mayor read the item
- B. Mayor declare Public Hearing open
- C. Hear staff report
- D. Council questions only
- E. Ask city clerk to report on any communication(s)
- F. Mayor call for public testimony
- G. Close Public Hearing by motion
- H. Council discussion
- I. Council motion and vote

**Recommend**

Council discuss, take public comments, and give First Reading, by Title only, with Further Reading waived of **“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CALIFORNIA CITY ADOPTING ZONE CHANGE NO. 187”**

**PH 2.** Proposed Ordinance: Initial Study, Mitigated Negative Declaration, and Zone Change 188 – Public Works Director

**PUBLIC HEARING PROCEDURE**

- A. Mayor read the item
- B. Mayor declare Public Hearing open

September 12, 2017

- C. Hear staff report
- D. Council questions only
- E. Ask city clerk to report on any communication(s)
- F. Mayor call for public testimony
- G. Close Public Hearing by motion
- H. Council discussion
- I. Council motion and vote

Recommend

Council discuss, take public comments, and give First Reading, by Title only, with Further Reading waived of **"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CALIFORNIA CITY ADOPTING ZONE CHANGE NO. 188"**

**CONTINUED BUSINESS / SUCCESSOR AGENCY**

**CB 1. First Amendment to Real Property Purchase and Sale Agreement – City Manager Weil**

Recommendation

Agency review the pending sale and approve the 1<sup>st</sup> Amendment to the Purchase and Sale Agreement as presented and authorize the City Manager to sign all documentation related to the transaction.

**NEW BUSINESS / CITY COUNCIL**

**NB 1. Economic Development Corporation (EDC), fiscal year 2017/18 Budget – City Manager Weil.**

Recommendation

Council review and approve the EDC Budget as presented.

**NB 2. Medical Marijuana Business Permit Fees and Department – Finance Director O’Laughlin**

Recommendation

Council discuss and approve the establishment of an MMB Department with the Above mentioned staff and related operating expenses to be funded entirely from MMB annual permit fees.

**NB 3. Natural Gas Line Expansion – City Manager Weil**

Recommendation

Council discuss and approve **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALIFORNIA CITY SUPPORTING SOUTHERN CALIFORNIA GAS COMPANY’S RECOMMENDATION TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION (CUPC) FOR THE CITY TO RECEIVE FURTHER EXTENSION OF NATURAL GAS SERVICE, THERETO".**

September 12, 2017

**NB 4. Water Rate Study – City Manager Weil**

**Recommendation**

Council discuss and authorize the Public Works Director to sign and execute an agreement with Full Spectrum Engineering, Inc., for a Water Rate Study not to exceed \$20,000

**COUNCIL AGENDA**

This portion of the meeting is reserved for council members to present information, announcements, and items that have come to their attention. The Brown Act precludes Council, staff or public discussion. Short staff responses are appropriate. The Council will take no formal action. A Council member may request the City Clerk to calendar an item for consideration at a future meeting, or refer an item to staff.

**Councilmember Parris  
Councilmember Stump  
Councilmember McGuire  
Mayor Pro Tem Gomez  
Mayor Wood**

**ADJOURNMENT**

**AFFIDAVIT OF POSTING:** This agenda was posted on all official City bulletin boards, the City's website and agenda packets were completely accessible to the public at City Hall at least 72 hours prior to the Council Meeting.  
Jan Sprague, Deputy City Clerk



# NORMHILL

A V I A T I O N



## **Donation of a Gulfstream GIIISP Business Aircraft to the California City High School With Relocation Plan**

*Presentation*



## HISTORY:

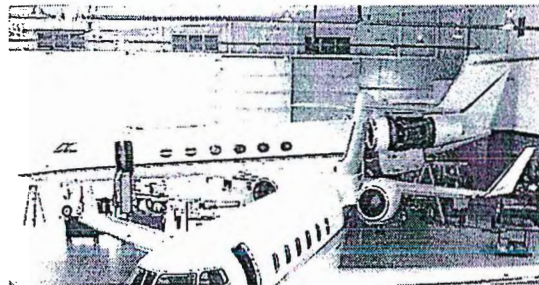
Norm Hill's aviation career has span for more than 30 years. In addition, Norm has worked for such prestigious companies as Lockheed, The Jet Center, Circus Circus Hotels Flight Department, Dallas Airmotive, and Western Jet Aviation.

Currently, Norm holds his Federal Aviation Administration (FAA) Airframe and Power-plant (A&P) license and has maintained his certification since 1985. Additionally, he is considered an expert worldwide in the maintenance and repair of Gulfstream aircraft.

Norm is a veteran and he started his aircraft maintenance career as a Crew Chief in the US Air Force, where he proudly served his country and subsequently he was honorably discharge from the US Air Force.

Grumman American/Gulfstream has historically done a good job of supporting their airplanes. Aircraft parts are now more expensive and there is a longer lead time for shipment. Some of these parts are now on a "build-to-order" and the prices for these parts are well above market value. In most cases this has led to extremely long manufacturing and delivery times.

This leaves an aging fleet of approximately 950 Gulfstream II, III, and IV "Legacy" aircraft, hungry for affordable parts and services which are receiving minimal support from Gulfstream. In business terms, if your aircraft is down, so are your profits.

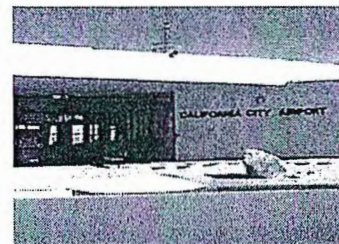


Towards the end of 1995, Norm saw the writing on the wall long before other people did when it came to the older Gulfstream aircraft that were in service.

Like so many consumer products made today, they are produced cheaper and companies that made these consumer goods will no longer support their older products that are still in service. Why? Because of costs.

So, in 1996 Norm Hill decided that he could help the owners of the Gulfstream aircraft community and the business Norm Hill Aviation Inc (NHA) was born.

In 2011 NHA moved to its current 4 hangar complex, located on the west end of the California City Municipal Airport in California City, CA. This has allowed NHA to offer expanded services to their customer base, which enhances their value to their existing and potentially new Gulfstream customers.



Norm worked very hard specializing in supplying aircraft parts and maintenance for the Gulfstream Business Jet community.



## HISTORY: continued

Norm worked so hard, that in 2013 Norm Hill Aviation became an incorporated company.

Currently, NHA has 15 employees and is expected to continue its growth as they add new services and expand their facilities to better service their customers. If you were not aware, Gulfstream aircraft is the number one corporate business jet in the world.



NHA supports the Gulfstream owners and operators with a wide range of services, which includes maintenance and aircraft parts. Because of their dedication for excellence, NHA is a well-respected company within the Gulfstream community.

As of today, NHA currently co-owns 34 Gulfstream aircraft which are being used for the express purpose of supplying parts to the owners of the 450 legacy Gulfstream II, III and IV aircraft.



Norm Hill Aviation primarily operates in the Aircraft Maintenance and Repair Services industry within the Transportation by Air sector.

NHA has been in operation for approximately eight years now and is estimated to generate approximately \$940,000.00 in annual revenues.

## THE IDEA:

Over the years, Norm has expanded his knowledge in the aircraft field. He is very active in the community, he is a member of the California City EDC and continually strives to improve the quality of life for not only for himself, but for his employees and the community.

Norm has stated in the past that there are two things he has learned from his life experiences in the aircraft business. These are; if an individual chooses to enter the aircraft field, then that person needs to go to school and get educated. In addition, the person also needs to have experience. Without those two things, a person doesn't stand a chance, unless they enlist in the military, because there a person can get both.

But as we all know, over the last couple of years the military has reduced in size and the opportunities for its members.

So, what is left? Trade schools of course. We all know, those cost money to attend and that is usually after the person graduates from high school.

But what about during high school? What if a student wants to learn about aircraft now, while going to high school?

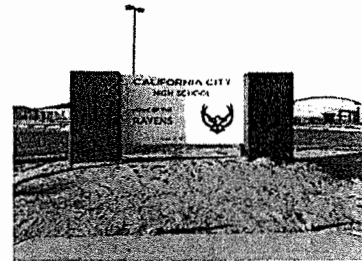
### **THE IDEA: continued**

Then it hit Norm like a ton of bricks. Why not donate a plane to the high school so students can learn right now about avionics, jet engines, hydraulics, etc.

The Antelope Valley has always been aircraft business friendly and the history of modern jets started at Edwards AFB.

Do you know, there is only one other high school in the entire US that has a class like this? So, why can't we?

What are the benefits? This will be a class dealing with real-world situations and it will help the students obtain a trade and a goal. It will show the students what happens if it is not done right along with the consequences. But if it is done right, the pride that the student will experience is unmatched to anything else and isn't this truly what education is all about.



This course will be offered to the California City High School students as soon as next semester and if they successfully complete this course, the student will be given a Federal Aviation Administration (FAA) Airframe and Power-plant (A&P) license. This will afford a trade that the students can immediately use in life upon graduation or a choice from the many other jobs within this trade.

There is no doubt that this is a great opportunity as well as a great foundation for a degree in Aviation Applied Sciences.

Now the City will also benefit because it will help reduce student down time, so they stay out of trouble, thus reducing crime.

This will be a major draw to this city for other families to move here so their children will have the opportunity to learn about aircraft and possibly obtain an FAA A&P license. Why you ask, because it's not offered anywhere else in the state of California.



More families mean more housing and hopefully more retail business, which would increase the city's tax base and improve the quality of life for all who live here.

### **WHAT WILL IT TAKE TO MAKE THIS HAPPEN:**

Donations:

Donations of time, money, materials and sweat equity (labor). This is what education costs and there is no way to get around it.

## **WHAT WILL IT TAKE TO MAKE THIS HAPPEN: continued**

Here is a side note for your consideration: Right now, today, there are approximately 25 students who are very interested in this aviation course.

A long time ago, someone stated "put your money where your mouth is" and that is exactly what Norm Hill Aviation is going to do. NHA is going to start off the donations with the following;

- 1) One Gulfstream II Business Jet as an outside classroom and trainer.
- 2) A Rolls Royce Spey Mk511-8 Turbofan engine for inside the classroom. In addition, this engine will have a cut-away view, so there can be hands on for teaching.



NHA has spoken with the Principal of California City High School, Mr. John Wheeler. During the conversation, Mr. Wheeler related that he has approximately \$70,000.00 that he could budget for this course. Additionally, Mr. Wheeler stated this money would cover for logistics, Instructor's pay, insurance, etc.

As you can see, the two biggest problems have been obtained and now we are looking at all the supporting details.

So, here is a list of some of the things that will need to be donated and performed;

- 1) Concrete footings and slab with rebar for the aircraft to be secured on. The measurement for the concrete slab needs to be 75-foot X 75-foot with moorings and suitable for an approximate 30,000 lbs. aircraft. This slab needs to have the ability for drainage and either a water/oil trap or a one to two high retaining wall around the slab.
- 2) A 6-foot-high fence around the slab with a gate for vehicles and a gate for students. The gates need to have the ability to be secured.
- 3) Motion detector lighting system, along with a camera system for safety and security.
- 4) 230 VAC three phase power with 250-foot run with box at slab.
- 5) 230 VAC to 28 VDM rectifier to ground power with aircraft connection.
- 6) External CO2 fire extinguishers at slab as per the Fire Code.
- 7) A sidewalk for students to travel to and from the classroom to the aircraft.
- 8) Two complete sets of Aircraft Mechanic hand tools with rolling tool boxed.
- 9) Test equipment like Fluke or Simpson multi meters, etc.

### **WHAT WILL IT TAKE TO MAKE THIS HAPPEN: continued**

- 10) An air conditioner for the "aircraft classroom" (this classroom will be inside the passenger portion of the aircraft). This will include 12-inch ducting which needs to be 100 feet long/ Package unit.
- 11) Four 50-foot-tall poles with a solar four pack of lights attached.
- 12) Finally, Mr. Wheeler will need books, curriculums, supplies, insurance, protective gear for students, instructors that could volunteer their work/ time and become school certified until the budget will support them. Mr. Wheeler will be available during the school week to advise and coordinate donations to eliminate duplications.

Now we need to address the City Council and City staff, this is a very big endeavor to take on and everyone understands this. The one big white elephant in the room is to move the aircraft from Norm Hill Aviation at the City's airport to California City High School.



As I speak right now, it has been worked on and addressed by volunteers. The route has been chosen and if you refer to your handouts, you can see the route to be traveled.

We will start at Norm Hill Aviation property and travel on a dirt road to Lindbergh Blvd. There we will make a left turn and travel eastbound to the intersection of Lindbergh Blvd and Mitchell Blvd.

At the intersection, we will make a right turn onto Mitchell Blvd. and proceed southbound to the intersection of Mitchell Blvd and Poppy Blvd.

There at the intersection, we will make a left turn and proceed eastbound on Poppy Blvd. to the intersection of Poppy Blvd and Raven Way.

When we arrive at the intersection of Poppy Blvd. and Raven Way, we will be making a left turn onto northbound Raven Way.

We will continue northbound on Raven Way until we are parallel to the dirt lot on the north/west portion of the high school property.

### **WHAT WILL IT TAKE TO MAKE THIS HAPPEN: continued**

With the perimeter fence at the high school down, we will make a right turn and proceed eastbound off the roadway, over the curb and sidewalk and onto the high school property.

The total distance traveled will be approximately 4.6 miles. In addition, we will be traveling at approximately 3 to 5 MPH and mainly driving on the wrong side of the roadway.

Why you ask? Let me explain. The combination of the tow vehicle, tow bar and aircraft will be approximately 100 plus feet in length. The height of the tail section of the aircraft is approximately 27 feet high and the wing span is approximately 70 feet in width.

We will be unable to remove the wings or tail section from the aircraft fuselage for the move. Thus, we will need the following;

- 1) Poles to lift the telephone lines to allow the aircraft to pass by.
- 2) City employees from Public Works to remove roadway signs (Temporarily) until the aircraft passes. Then the signs can be re-erected.
- 3) Law Enforcement and Fire Department personnel to assist with this move.
- 4) Encroachment permits.

NHA would love for this to be a parade type atmosphere, something similar to the shuttle Endeavor, when it was moved through the city streets of Los Angeles. The only difference is the Endeavor had big dollar backers and we don't have that.

We are all volunteers, because no one in our group can pay for this type of bill. As far as the encroachment permits, we understand that if we are not charged, that would or could fall under a "Gift of Public Funds", which is illegal.

Not unless we can show a benefit to the City of California City, which we believe we can and did with this presentation. But only the Council can make that decision. If we must be charged, we beg that the fee is extremely low.

But in all seriousness, NHA would love to have everyone in the community, outside the community and the news media show up along the route for this epic move and adventure into education.

As far as the city roadway sign goes, we have a detailed list with locations of the signs to be effected by this move within this handout. We will also be contacting the Public Works Department in an effort to get a workable game play set in place. The total time for this move will be approximately 1 1/2 hours to 2 hours in duration.

**WHAT WILL IT TAKE TO MAKE THIS HAPPEN: continued**

If a person, organization or company donates labor, time, materials, or money for this cause, then that person, organization or company could in exchange for their donation, have their names placed on the fuselage of the aircraft. That would show the world what other people from this community or surrounding communities did for students at CCHS.

**CLOSING:**

We as a community need to partner with the Mojave Unified School District, so we can help the California City High School get this Aviation Curriculum.

If you have any questions, you can contact one of the following individuals;

- 1) Norm Hill (Norm Hill Aviation) 661-350-4320 (Cell)
- 2) John Wheeler (Principal CCHS) 760-373-5263 (Ext 700)

Again, NHA wishes to publicly thank the City Council for this time to discuss, with you, City Staff and the public about this amazing endeavor.

My name is Norm Hill and I own Norm Hill Aviation.

Thank you and God Bless

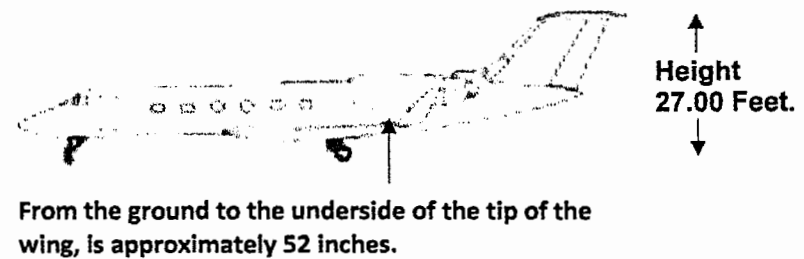
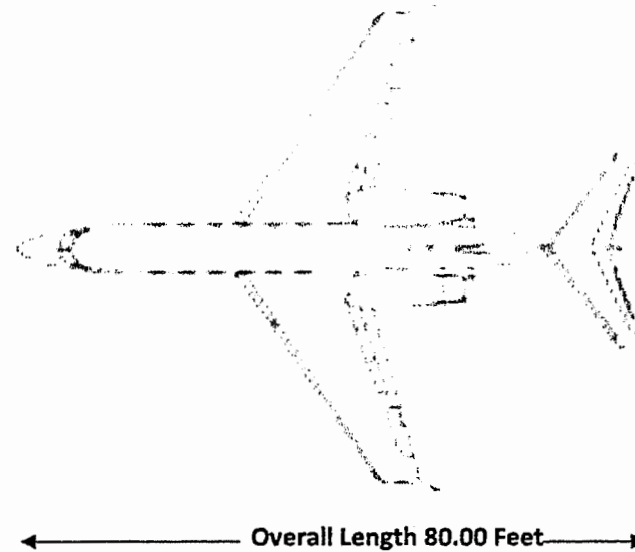
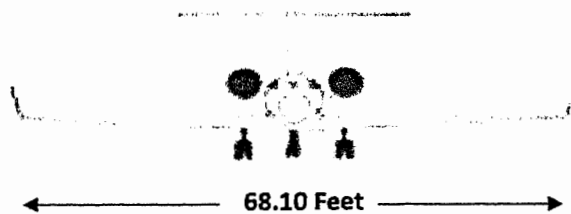
## **Roadway Signs Effected by the Aircraft Move**

- 1) E/B Lindbergh Blvd e/of Curtis Place on the e/b shoulder a 35 MPH speed limit sign.
- 2) E/B Lindbergh Blvd at Airport Way on the e/b shoulder Foxy's Restaurant and Café/RV Park sign.
- 3) W/B Lindbergh Blvd w/of Mitchell Blvd w/b shoulder a 35 MPH speed limit sign.
- 4) E/B Lindbergh Blvd at Mitchell Blvd on the s/e corner of intersection stop sign.
- 5) S/B Mitchell Blvd s/of Lindbergh Blvd s/b shoulder 50 MPH speed limit sign.
- 6) S/B Mitchell Blvd n/of Mendiburu Rd s/b shoulder Road Flooding sign, n/b side 50 MPH speed limit sign.
- 7) W/B Poppy Blvd at Mitchell Blvd w/ shoulder on the n/w corner of intersection stop sign.
- 8) E/B Poppy Blvd w/of Clover Dr. on the e/b shoulder 45 MPH speed limit sign.
- 9) E/B Poppy Blvd at Yerba Blvd on the s/w and n/e corners stop signs. Also, telephone lines on Poppy Blvd e/of Yerba Blvd.
- 10) W/B Poppy Blvd on w/b shoulder across from 7112 Poppy Blvd stop sign ahead sign.
- 11) E/B Poppy Blvd at Rancho Ct on the n/e corner Street sign.
- 12) E/B Poppy Blvd at Isabella Blvd. Possible obstructions on both sides of the roadway, will measure.
- 13) E/B Poppy Blvd at Neuralia Rd. on the s/w and n/e corners stop signs on the on the n/e corner a street sign.
- 14) W/B Poppy Blvd at the Neuralia Rd frontage road n/of Poppy Blvd stop sign.
- 15) E/B Poppy Blvd e/of Neuralia Rd on the e/b shoulder a speed limit sign, will try to avoid.
- 16) E/B Poppy Blvd w/of Sally Ave. measure distance from chain link fence to chain link fence.
- 17) E/B Poppy Blvd at Raven Way s/w, n/e and n/w stop signs also n/w street sign.
- 18) N/B Raven Way at Margery Ave on the n/b shoulder s/e corner speed limit sign.
- 19) N/B Raven Wat at Bolden Dr. On the n/w and s/e corner stop signs n/w corner street sign.

**There are 26 signs that will need to be moved and possibly one to two others.**



# Gulfstream GIIISP/GII59A



## Alternate Route for Gulfstream Aircraft Move



Total distance from Norm Hill Aviation to the California City High School is approximately 4.6 miles

Total distance from Norm Hill Aviation to the California City High School is approximately 4.6 miles



## Report Criteria:

Report type: Invoice detail

Bank.Bank Number = 1

Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
08/17	08/22/2017	100781	Frontier	Telephone Service from Ve	040709-5 081317	29.03	29.03
08/17	08/22/2017	100781	Frontier	Telephone Service from Ve	070174-5 081317	285.58	285.58
Total 100781:							314.61
08/17	08/22/2017	100782	Henderson, Wyamon	Settlement Agreement	082117	90,000.00	90,000.00
Total 100782:							90,000.00
08/17	08/22/2017	100783	Liberty Motor Sports, Inc	Gas Tank Repair - OHV	8665	674.88	674.88
Total 100783:							674.88
08/17	08/22/2017	100784	So California Gas Co	Gas Service	1691-1 081517	427.43	427.43
Total 100784:							427.43
08/17	08/22/2017	100785	Vanwey, Christina Mae	Payment of lost wages	061417	600.00	600.00
Total 100785:							600.00
Grand Totals:							92,016.92

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 8/22/17Finance Director Janice O'Hare

CCI

*Conty Clerk*

California City

Check Register - Pre-Issue Report  
Check Issue Dates: 8/24/2017 - 6/30/2018

Page: 1  
Aug 24, 2017 02:49PM

Report Criteria:

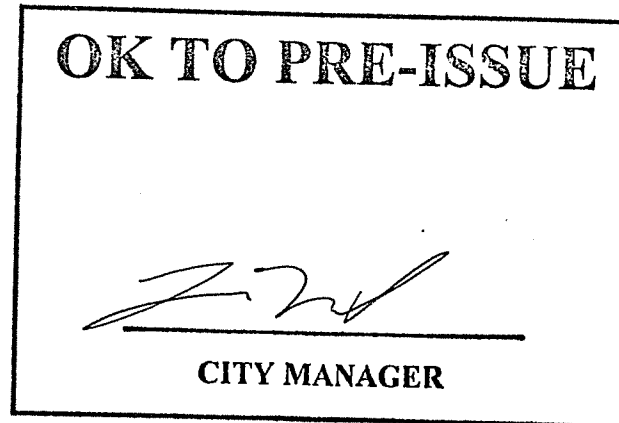
Report type: Invoice detail  
Bank.Bank Number = 1  
Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
08/17	08/24/2017	100786	DPREP	Hayes, Huizar -Officer Invol	HAYES, HUIZAR 9-6-	446.00	446.00
Total 100786:							446.00
08/17	08/24/2017	100787	U S Bank Corporate Payment	xxx-7239 1CALCITY Police	XXX-7239 072517	90.98	90.98
08/17	08/24/2017	100787	U S Bank Corporate Payment	xxx-7254 2CALCITY Police	XXX-7254 072517	1,626.56	1,626.56
08/17	08/24/2017	100787	U S Bank Corporate Payment	xxx-7288 Fire 4 CALCITY	XXX-7288 072517	770.25	770.25
08/17	08/24/2017	100787	U S Bank Corporate Payment	XXX-7304 Public Works	XXX-7304 072517	1,539.59	1,539.59
08/17	08/24/2017	100787	U S Bank Corporate Payment	XXX-7312 Public Works	XXX-7312 072517	3,666.54	3,666.54
08/17	08/24/2017	100787	U S Bank Corporate Payment	xxx-7490 Brenda Daverin	XXX-7490 072517	768.18	768.18
08/17	08/24/2017	100787	U S Bank Corporate Payment	XXX-9269 Bus Card	XXX-9269 072517	188.78	188.78
08/17	08/24/2017	100787	U S Bank Corporate Payment	XXX-9301 City Mgr	XXX-9301 072517	1,041.32	1,041.32
Total 100787:							9,692.20
Grand Totals:							10,138.20

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 8/24/17

Finance Director *Z Z*



Check

California City

Check Register - Pre-Issue Report  
Check Issue Dates: 8/29/2017 - 6/30/2018

Page: 1  
Aug 29, 2017 03:39PM

Report Criteria:

Report type: Invoice detail  
Bank Bank Number = 1  
Check Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
08/17	08/29/2017	100788	Crowell, Roberta	Construction Trash Deposit	BP 16233	500.00	500.00
Total 100788:							500.00
08/17	08/29/2017	100789	Esquivel, Jose	Construction Trash Deposit	BP 16273	500.00	500.00
Total 100789:							500.00
08/17	08/29/2017	100790	Home Depot USA	Construction Trash Deposit	BP 16210	500.00	500.00
Total 100790:							500.00
08/17	08/29/2017	100791	Thorpe, William	Cons Trash Dep Refund	BP 16305	500.00	500.00
Total 100791:							500.00
08/17	08/29/2017	100792	Williams Construction	Construction Trash Deposit	BP 16287	500.00	500.00
Total 100792:							500.00
Grand Totals:							2,500.00

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated:

8/29/17

Finance Director

Juanita O'Hara

D.H.

California City

Check Register - Pre-Issue Report  
Check Issue Dates: 8/30/2017 - 7/1/2018

Page: 1  
Aug 30, 2017 04:20PM

## Report Criteria:

Report type: Invoice detail  
Bank.Bank Number = 1  
Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
08/17	08/30/2017	100793	Frontier	Telephone Service from Ve	081503-5 081917	2,596.29	2,596.29
Total 100793:							2,596.29
Grand Totals:							2,596.29

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 8/30/17

Finance Director Jane O'Hara

California City

Check Register - Pre-Issue Report  
Check Issue Dates: 8/31/2017 - 6/30/2018

Page: 1  
Aug 31, 2017 03:12PM

## Report Criteria:

Report type: Invoice detail  
Bank.Bank Number = 1  
Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
08/17	08/31/2017	100794	Petty Cash - Police Dept	Narcotics Investigation	CASE # CR17-1376	300.00	300.00
Total 100794:							300.00
Grand Totals:							300.00

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 8/31/17

Finance Director Jane O'Hara



AH

California City

Check Register - Pre-Issue Report  
Check Issue Dates: 9/1/2017 - 6/30/2018


Page: 1  
Sep 01, 2017 03:46PM

## Report Criteria:

Report type: Invoice detail  
Bank.Bank Number = 1  
Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
09/17	09/01/2017	100795	Inglis Imports, Inc.	New K9	8561	9,652.50	9,652.50
Total 100795:							9,652.50
Grand Totals:							9,652.50

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 9-1-17Finance Director 

California City

Check Register - Pre-Issue Report  
Check Issue Dates: 9/5/2017 - 6/30/2018


Page: 1  
Sep 05, 2017 08:59AM

## Report Criteria:

Report type: Invoice detail  
Bank.Bank Number = 1  
Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
09/17	09/05/2017	100796	AT&T Mobility	IPad & Iphone Phone Bill	07182017	1,694.20	1,694.20
Total 100796:							1,694.20
09/17	09/05/2017	100797	Camacho, Frank	SCOE SARB Workshop-Mod	083017	140.25	140.25
Total 100797:							140.25
09/17	09/05/2017	100798	Huizar, Frank	SCOE SARB Workshop - Mo	083017	140.25	140.25
Total 100798:							140.25
Grand Totals:							1,974.70

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 9-5-17Finance Director 

DH

California City

Check Register - Pre-Issue Report  
Check Issue Dates: 9/6/2017 - 6/30/2018Page: 1  
Sep 06, 2017 10:20AM

## Report Criteria:

Report type: Invoice detail

Bank.Bank Number = 1

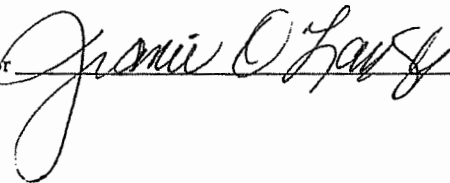
Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
09/17	09/06/2017	100799	Cheers, Evelyn	Desert Jade On Call Manage	100	150.00	150.00
Total 100799:							150.00
09/17	09/06/2017	100800	Frontier	Telephone Service from Ve	040693-5 081317	148.73	148.73
09/17	09/06/2017	100800	Frontier	Telephone Service from Ve	052893-5 081317	56.81	56.81
09/17	09/06/2017	100800	Frontier	Telephone Service from Ve	062303-5 082817	236.64	236.64
Total 100800:							442.18
09/17	09/06/2017	100801	Krol, Maurice	August on call manager	100	150.00	150.00
Total 100801:							150.00
09/17	09/06/2017	100802	Pridgen, Elizabeth	August on call manager	100	150.00	150.00
Total 100802:							150.00
09/17	09/06/2017	100803	So California Edison Co	City Electricity	2-01-388-5074 090	89,995.07	89,995.07
09/17	09/06/2017	100803	So California Edison Co	City Electricity	3-046-9073-88 081	44.35	44.35
Total 100803:							90,039.42
09/17	09/06/2017	100804	Southern California Gas Co.	monthly gas desert jade	02381396353 0811	7.67	7.67
09/17	09/06/2017	100804	Southern California Gas Co.	monthly gas desert jade	03431396005 0811	44.88	44.88
09/17	09/06/2017	100804	Southern California Gas Co.	monthly gas desert jade	06161396525 0811	2.28	2.28
09/17	09/06/2017	100804	Southern California Gas Co.	monthly bill desert jade	06161396525 0818	5.52	5.52
09/17	09/06/2017	100804	Southern California Gas Co.	monthly bill desert jade	18568166963 0811	26.76	26.76
Total 100804:							87.11
Grand Totals:							91,018.71

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 9-6-17

Finance Director



## Report Criteria:

Report type: Invoice detail

Bank.Bank Number = 1

Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
09/17	09/07/2017	100805	3D Imaging Systems, Inc	Post Base Labels	62555	58.99	58.99
Total 100805:							58.99
09/17	09/07/2017	100806	Abacan, Roel	Refund 20836 84th	105546.06	53.34	53.34
Total 100806:							53.34
09/17	09/07/2017	100807	Adt Security Services	Art and Community Ctr Sec	87614121 081317	139.68	139.68
Total 100807:							139.68
09/17	09/07/2017	100808	Alexander's Enterprises, Inc	Water Billing Process	2398	3,141.34	3,141.34
Total 100808:							3,141.34
09/17	09/07/2017	100809	Alwaw, George	per diem 091117	PER DIEM 091117	40.00	40.00
Total 100809:							40.00
09/17	09/07/2017	100810	Amber Chemical, Inc.	Hypochlorite Solution	0344307	510.51	510.51
Total 100810:							510.51
09/17	09/07/2017	100811	AmeriPride	Uniform Maintenance	2100621928	161.39	161.39
09/17	09/07/2017	100811	AmeriPride	Uniform Maintenance	2100623472	161.39	161.39
09/17	09/07/2017	100811	AmeriPride	Uniform Maintenance	2100624995	170.39	170.39
09/17	09/07/2017	100811	AmeriPride	Uniform Maintenance	2100626531	164.39	164.39
Total 100811:							657.56
09/17	09/07/2017	100812	Andrew Parker	progress payment #3 for p	201744	10,034.22	10,034.22
Total 100812:							10,034.22
09/17	09/07/2017	100813	Bakersfield Electric Motor Re	Well Parts	L72247	5,378.87	5,378.87
09/17	09/07/2017	100813	Bakersfield Electric Motor Re	Well Parts Upper Rancho	L72389	508.88	508.88
Total 100813:							5,887.75
09/17	09/07/2017	100814	Bound Tree Medical	Medical Supplies	82602812	3,519.41	3,519.41
09/17	09/07/2017	100814	Bound Tree Medical	Medical Supplies	82604247	56.73	56.73
Total 100814:							3,576.14
09/17	09/07/2017	100815	Byerly Veterinary Service	DEA License Use & Log Ins	8867	90.00	90.00
Total 100815:							90.00
09/17	09/07/2017	100816	California City Successory Age	Reimbursement for SDI Cus	US BANK #4614941	6,251.80	6,251.80
Total 100816:							6,251.80
09/17	09/07/2017	100817	Callahan, Ryan Michael	Mobile Car Wash	102	225.00	225.00

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
09/17	09/07/2017	100817	Callahan, Ryan Michael	Mobile Car Wash	103	150.00	150.00
Total 100817:							375.00
09/17	09/07/2017	100818	Camacho, Frank	per diem 091117	PER DIEM 091117	32.00	32.00
Total 100818:							32.00
09/17	09/07/2017	100819	Carter, Queen	Refund 8507 CCB	102885.05	12.20	12.20
Total 100819:							12.20
09/17	09/07/2017	100820	Caselle, Inc	Contract Support	82931	1,718.00	1,718.00
Total 100820:							1,718.00
09/17	09/07/2017	100821	CDW Government Inc	Splitter Cable	JRT0451	23.83	23.83
09/17	09/07/2017	100821	CDW Government Inc	Ethernet Convertor	JRT1435	136.38	136.38
Total 100821:							160.21
09/17	09/07/2017	100822	Cen-Cal Construction	Heather Ave Sidewalk Infill	1720-02	42,258.38	42,258.38
Total 100822:							42,258.38
09/17	09/07/2017	100823	Central Valley Occupational	Medical Exams	13857400	698.00	698.00
09/17	09/07/2017	100823	Central Valley Occupational	Medical Exams	14558800	50.00	50.00
09/17	09/07/2017	100823	Central Valley Occupational	Medical Exams	15073100	1,086.00	1,086.00
09/17	09/07/2017	100823	Central Valley Occupational	Medical Exams	15451600	180.00	180.00
09/17	09/07/2017	100823	Central Valley Occupational	Medical Exams	15676500	638.00	638.00
09/17	09/07/2017	100823	Central Valley Occupational	Medical Exams	16412200	38.00	38.00
Total 100823:							2,690.00
09/17	09/07/2017	100824	Charter Communications	City Hall Cable Service	0108863082217 08	424.99	424.99
09/17	09/07/2017	100824	Charter Communications	City Hall Cable Service	25620082217	4,992.16	4,992.16
Total 100824:							5,417.15
09/17	09/07/2017	100825	City Hardware		073117 OHV	634.83	634.83
Total 100825:							634.83
09/17	09/07/2017	100826	Clearview Realty //Josh Meiste	Refund 8648 Satinwood	102220.04	39.21	39.21
09/17	09/07/2017	100826	Clearview Realty //Josh Meiste	Refund 21017 79th	105381.07	11.02	11.02
Total 100826:							50.23
09/17	09/07/2017	100827	Coastline Equipment	Unit 221 Handle, Seat Adju	410856	142.50	142.50
09/17	09/07/2017	100827	Coastline Equipment	Filters Unit 229	412300	144.51	144.51
Total 100827:							287.01
09/17	09/07/2017	100828	Colovin, Joy	Refund 9301 Ironwood	102076.02	27.59	27.59
Total 100828:							27.59
09/17	09/07/2017	100829	Condon, Dianna & Michael	Refund 21561 Adler	102458.01	97.51	97.51

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
Total 100829:							97.51
09/17	09/07/2017	100830	Consolidated Electrical Distr	Mule Tape, Clear Pulling Lu	3978-714388	328.41	328.41
Total 100830:							328.41
09/17	09/07/2017	100831	Creative Bus Sales, Inc	Toggle Switch	5115816	57.41	57.41
Total 100831:							57.41
09/17	09/07/2017	100832	Davis, Samuel	Desert Jade Cleaning Servic	100	120.00	120.00
Total 100832:							120.00
09/17	09/07/2017	100833	Deere Credit	Backhoe Lease Payments	1884497	1,162.04	1,162.04
Total 100833:							1,162.04
09/17	09/07/2017	100834	Dennis Automotive	Auto Service	18100	64.00	64.00
09/17	09/07/2017	100834	Dennis Automotive	Auto Service	18111	200.00	200.00
09/17	09/07/2017	100834	Dennis Automotive	Auto Service	18120	40.00	40.00
Total 100834:							304.00
09/17	09/07/2017	100835	Department of Justice	Fingerprinting	248701	2,486.00	2,486.00
Total 100835:							2,486.00
09/17	09/07/2017	100836	Deputy, Dusty and Melissa	Refund 9440 Evelyn	106537.05	29.79	29.79
Total 100836:							29.79
09/17	09/07/2017	100837	Expert Automotive	Oil Change, Fluids & Levels	43981	79.93	79.93
Total 100837:							79.93
09/17	09/07/2017	100838	Fed Ex	Priority Mailings	5-901-42102	108.65	108.65
09/17	09/07/2017	100838	Fed Ex	Priority Mailings	5-909-54612	108.15	108.15
Total 100838:							216.80
09/17	09/07/2017	100839	Ferguson Waterworks	Well 10 Parts	0604857	285.27	285.27
09/17	09/07/2017	100839	Ferguson Waterworks	Galv Rdy Cut Pipe	0605419	81.40	81.40
09/17	09/07/2017	100839	Ferguson Waterworks	4 Ext Range Coup	0606272	818.19	818.19
09/17	09/07/2017	100839	Ferguson Waterworks	Well 10 Parts	WD002996	4,323.06	4,323.06
09/17	09/07/2017	100839	Ferguson Waterworks	Well 10 Parts	WD002999	758.86	758.86
09/17	09/07/2017	100839	Ferguson Waterworks	Blue PVC Pipe	WV002884-1	3,409.48	3,409.48
09/17	09/07/2017	100839	Ferguson Waterworks	Instatite Coup	WV002977	920.24	920.24
Total 100839:							10,596.50
09/17	09/07/2017	100840	Fleck, Robert	Refund 8513 Bay	105135.06	8.67	8.67
Total 100840:							8.67
09/17	09/07/2017	100841	Great America Financial	Postage Machine Lease, PW	21192381	964.32	964.32

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
Total 100841:							964.32
09/17	09/07/2017	100842	Gsolutionz Inc	IP Office Maintenance Quar	167048	2,100.00	2,100.00
Total 100842:							2,100.00
09/17	09/07/2017	100843	Guillen, Kevin	per diem 091117	PERDIEM 091117	40.00	40.00
Total 100843:							40.00
09/17	09/07/2017	100844	Hansen, Brian	per diem 091117	PER DIEM 0911	40.00	40.00
Total 100844:							40.00
09/17	09/07/2017	100845	Hd Supply Facilities Maintena	Desert Jade office supplies	9156770201	70.77	70.77
09/17	09/07/2017	100845	Hd Supply Facilities Maintena	Desert Jade kitchen faucet	9156975411	148.94	148.94
09/17	09/07/2017	100845	Hd Supply Facilities Maintena	Desert Jade paper products	9157037502	126.39	126.39
09/17	09/07/2017	100845	Hd Supply Facilities Maintena	Desert Jade copy paper	9157075570	17.14	17.14
Total 100845:							363.24
09/17	09/07/2017	100846	HDL	Marijuana Management Pro	0027772	337,500.00	337,500.00
Total 100846:							337,500.00
09/17	09/07/2017	100847	HDWBC - High Desert Wireles	vga display splitter adapter	40515	241.91	241.91
09/17	09/07/2017	100847	HDWBC - High Desert Wireles	DAR Fareboxes & Cameras	40526	26,241.40	26,241.40
09/17	09/07/2017	100847	HDWBC - High Desert Wireles	Monitor	40558	160.88	160.88
Total 100847:							26,644.19
09/17	09/07/2017	100848	Helt Engineering, Inc	15406 Randsburg-Mojave	017-228	626.69	626.69
09/17	09/07/2017	100848	Helt Engineering, Inc	15406 Randsburg-Mojave	017-229	1,104.00	1,104.00
09/17	09/07/2017	100848	Helt Engineering, Inc	16405 Mendiburu Road Re	017-230	4,337.70	4,337.70
09/17	09/07/2017	100848	Helt Engineering, Inc	16408 Heather Sidewalk In	017-231	6,950.00	6,950.00
09/17	09/07/2017	100848	Helt Engineering, Inc	16413 Eastside Taxiways D	017-232	2,622.49	2,622.49
09/17	09/07/2017	100848	Helt Engineering, Inc	16414 Eastside Taxiways R	017-233	8,080.29	8,080.29
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.6 Plan Check-Tentati	017-234	297.50	297.50
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.10 Plan Check Lot M	017-235	240.00	240.00
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.19 Plan Ck Calif City	017-236	907.50	907.50
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.25 Plan CK MMJ Cult	017-237	455.00	455.00
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.26 Plan Ck SDR 17-1	017-238	455.00	455.00
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.27 Plan Ck SDR 17-2	017-239	167.50	167.50
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.28 Plan Ck SDR 17-1	017-240	1,267.50	1,267.50
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.29 Plan Ck SDR 17-1	017-241	782.50	782.50
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.30 Plan Ck SDR 17-0	017-242	595.00	595.00
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.35 Plan Ck SDR 17-2	017-243	355.00	355.00
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.54 Plan Ck SDR 17-2	017-244	355.00	355.00
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.56 Plan Ck SDR 17-2	017-246	355.00	355.00
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.57 Plan Ck SDR 17-2	017-247	355.00	355.00
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.63 Plan Ck SDR 17-2	017-248	355.00	355.00
09/17	09/07/2017	100848	Helt Engineering, Inc	17405 Greenhouse Gas Red	017-249	1,367.55	1,367.55
09/17	09/07/2017	100848	Helt Engineering, Inc	17402.55 Plan CK SDR 17-2	071-245	355.00	355.00
Total 100848:							32,386.22
09/17	09/07/2017	100849	Highway Glass Co	broken window apt 57 to b	109299	155.08	155.08

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
Total 100849:							155.08
09/17	09/07/2017	100850	Home Depot Credit Services	Facilities Maint. Supplies	XXX-1266 082117	70.98	70.98
Total 100850:							70.98
09/17	09/07/2017	100851	IMC Realty / Cheryl Stanford	Refund 10625 Peach	106187.04	37.44	37.44
Total 100851:							37.44
09/17	09/07/2017	100852	JBL & Associates/Fred Whitne	Refund 21872 Garibaldi	104002.03	41.38	41.38
Total 100852:							41.38
09/17	09/07/2017	100853	John the Plumber-	Plumbing Work	2509	775.00	775.00
Total 100853:							775.00
09/17	09/07/2017	100854	Johnstone Supply	Air Conditioner Parts PD	4007459	109.81	109.81
09/17	09/07/2017	100854	Johnstone Supply	Air Conditioner Parts PD	4007459-01	194.22	194.22
Total 100854:							304.03
09/17	09/07/2017	100855	Jones Chemicals Corp Inc	Chlorine Cylinders	730870	5,202.89	5,202.89
09/17	09/07/2017	100855	Jones Chemicals Corp Inc	Drums Return	730902	3,000.00-	3,000.00-
Total 100855:							2,202.89
09/17	09/07/2017	100856	Kern County Fire Dept	Emergency Comm	18-000086	18,668.14	18,668.14
Total 100856:							18,668.14
09/17	09/07/2017	100857	Kieffe & Sons Ford	2011 Ford Truck Expeditio	30629	529.60	529.60
Total 100857:							529.60
09/17	09/07/2017	100858	KME Fire Apparatus	Vehicle Maint. Unit 533	541706	176.09	176.09
09/17	09/07/2017	100858	KME Fire Apparatus	Vehicle Maint.	CA541866	957.50	957.50
Total 100858:							1,133.59
09/17	09/07/2017	100859	Kosick, Jeremy	International Code Council	06-24-17	250.00	250.00
09/17	09/07/2017	100859	Kosick, Jeremy	NFAP Membership Reimbu	071317	175.00	175.00
Total 100859:							425.00
09/17	09/07/2017	100860	Landis, Roger	Refund 8337 Dogwood	101419.02	10.44	10.44
Total 100860:							10.44
09/17	09/07/2017	100861	League Of Calif Cities	Western Cities Magazine Ci	57039	450.30	450.30
Total 100861:							450.30
09/17	09/07/2017	100862	Lemons, Leslie Jr	Refund 7173 Dogwood	000984.13	44.50	44.50
Total 100862:							44.50



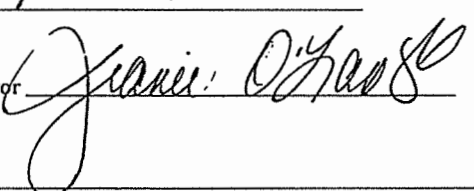
GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
09/17	09/07/2017	100863	Lyons, Taylor	Mileage Reimbursement	080817 MILEAGE	142.42	142.42
Total 100863:							142.42
09/17	09/07/2017	100864	Main Electric Supply Co.	Pool House Supplies	7347316	2,495.94	2,495.94
09/17	09/07/2017	100864	Main Electric Supply Co.	Pool House Supplies	7347433	448.50	448.50
Total 100864:							2,944.44
09/17	09/07/2017	100865	Martin's L & E Enterprise	ceiling fan and box Install #	201708	150.00	150.00
Total 100865:							150.00
09/17	09/07/2017	100866	Merchant's Printing & Envelo	Search Warrant Receipt	7701035	214.49	214.49
Total 100866:							214.49
09/17	09/07/2017	100867	Mission Uniform Service	Laundry Service PD	505532665	53.88	53.88
09/17	09/07/2017	100867	Mission Uniform Service	Laundry Service PD	505578806	53.88	53.88
09/17	09/07/2017	100867	Mission Uniform Service	Laundry Service PD	505629232	52.57	52.57
09/17	09/07/2017	100867	Mission Uniform Service	Laundry Service PD	505678808	52.57	52.57
Total 100867:							212.90
09/17	09/07/2017	100868	MuniTemps	Temp Planning Tech Aug 2	127478	4,492.13	4,492.13
09/17	09/07/2017	100868	MuniTemps	A. Doravari Planning Tech	127522	3,960.00	3,960.00
Total 100868:							8,452.13
09/17	09/07/2017	100869	Norm Hill Aviation	ACO Internet	2633	50.00	50.00
Total 100869:							50.00
09/17	09/07/2017	100870	Office Depot	Office Supplies	950575614001	311.09	311.09
09/17	09/07/2017	100870	Office Depot	Office Supplies	950575738001	35.36	35.36
09/17	09/07/2017	100870	Office Depot	Office Supplies	950575739001	149.70	149.70
09/17	09/07/2017	100870	Office Depot	Office Supplies	950623673001	87.52	87.52
09/17	09/07/2017	100870	Office Depot	Office Supplies	950623715001	22.15	22.15
09/17	09/07/2017	100870	Office Depot	Office Supplies	951676049001	119.04	119.04
09/17	09/07/2017	100870	Office Depot	Office Supplies	951676758001	128.69	128.69
09/17	09/07/2017	100870	Office Depot	Office Supplies	953472549001	77.42	77.42
09/17	09/07/2017	100870	Office Depot	Office Supplies	953506819001	182.33	182.33
09/17	09/07/2017	100870	Office Depot	Office Supplies	953506891001	213.96	213.96
09/17	09/07/2017	100870	Office Depot	Office Supplies	953506892001	115.32	115.32
09/17	09/07/2017	100870	Office Depot	Office Supplies	953506893001	66.47	66.47
09/17	09/07/2017	100870	Office Depot	Office Supplies	954301339001	114.10	114.10
09/17	09/07/2017	100870	Office Depot	Office Supplies	954301451001	22.49	22.49
09/17	09/07/2017	100870	Office Depot	Cleaning Supplies	954496359001	812.99	812.99
09/17	09/07/2017	100870	Office Depot	Cleaning Supplies	954496500001	98.95	98.95
Total 100870:							2,557.58
09/17	09/07/2017	100871	Onesource Distributors, LLC	Harness & Lanyard Airport	S5582248.001	93.02	93.02
Total 100871:							93.02
09/17	09/07/2017	100872	Palmdale Auto Parts	Diesel Oil	648043 FIRE	57.87	57.87

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
Total 100872:							57.87
09/17	09/07/2017	100873	Perry, Diane	Costco Reimbursement	08312017	180.37	180.37
Total 100873:							180.37
09/17	09/07/2017	100874	Praxair Distribution Inc	Oxygen	78620857	122.15	122.15
Total 100874:							122.15
09/17	09/07/2017	100875	Quality Maintenance	Desert Jade Handyman Wo	100	190.00	190.00
09/17	09/07/2017	100875	Quality Maintenance	Desert Jade Landscaping	101	1,050.00	1,050.00
09/17	09/07/2017	100875	Quality Maintenance	Desert Jade Landscaping	102	1,900.00	1,900.00
09/17	09/07/2017	100875	Quality Maintenance	Desert Jade Handyman Wo	103	110.00	110.00
Total 100875:							3,250.00
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069375	3,581.73	3,581.73
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069381	172.51	172.51
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069382	2,040.87	2,040.87
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069383	559.96	559.96
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069385	237.49	237.49
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069386	970.98	970.98
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069387	489.33	489.33
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069388	35.78	35.78
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069389	1,042.54	1,042.54
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069407	356.18	356.18
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069408	189.25	189.25
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069427	163.17	163.17
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069440	31.56	31.56
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069445	26.51	26.51
09/17	09/07/2017	100876	R S I Petroleum Prod	Fuel	1069527	32.40	32.40
Total 100876:							9,930.26
09/17	09/07/2017	100877	Reliable Air Condit. & Heating	Air Conditioning Work	17916	260.00	260.00
09/17	09/07/2017	100877	Reliable Air Condit. & Heating	progress payment 1 pool h	17963	11,640.00	11,640.00
Total 100877:							11,900.00
09/17	09/07/2017	100878	Robertson's	Conklin Blvd & N. Loop	58697	495.33	495.33
Total 100878:							495.33
09/17	09/07/2017	100879	Rush, Zack	Boots and jackets	SAFETY EQ 090617	1,103.34	1,103.34
Total 100879:							1,103.34
09/17	09/07/2017	100880	S.C. Friends Tire Inc.	Tire Service	31926	604.86	604.86
09/17	09/07/2017	100880	S.C. Friends Tire Inc.	Tire Service	31928	10.00	10.00
09/17	09/07/2017	100880	S.C. Friends Tire Inc.	Tire Service	32140	10.00	10.00
09/17	09/07/2017	100880	S.C. Friends Tire Inc.	Tires Unit 243	32193	543.18	543.18
09/17	09/07/2017	100880	S.C. Friends Tire Inc.	Tires Unit 244	32194	292.51	292.51
09/17	09/07/2017	100880	S.C. Friends Tire Inc.	Tires Unit 202	32195	294.83	294.83
Total 100880:							1,755.38
09/17	09/07/2017	100881	Sandu, Manjit	Refund 10632 Camille	104500.03	41.38	41.38

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
Total 100881:							41.38
09/17	09/07/2017	100882	Sequoia Equipment Company,	Spider Unit 801	5693	133.41	133.41
Total 100882:							133.41
09/17	09/07/2017	100883	Serrano, Walter & Maicela	Refund 21200 Kenniston	106218.06	29.33	29.33
Total 100883:							29.33
09/17	09/07/2017	100884	Signs & Designs	Plexiglass White Plex Blank	129416	1,026.95	1,026.95
Total 100884:							1,026.95
09/17	09/07/2017	100885	Sim Sanitation	toilet cleaning pool house p	38287	20.00	20.00
Total 100885:							20.00
09/17	09/07/2017	100886	Sirchie Fingerprint Labs	Evidence Materials	0312934-IN	374.53	374.53
Total 100886:							374.53
09/17	09/07/2017	100887	Sparkletts	Water	4687417 081117	44.02	44.02
Total 100887:							44.02
09/17	09/07/2017	100888	Staples Advantage	Office Supplies, Janitorial	8046040143	362.26	362.26
Total 100888:							362.26
09/17	09/07/2017	100889	The Gun Shop	Holsters, Handcuffs, MK4 O	08-28-17 SALE	487.00	487.00
Total 100889:							487.00
09/17	09/07/2017	100890	The Loop	Desert Tortoise Days Ad	18604	237.00	237.00
Total 100890:							237.00
09/17	09/07/2017	100891	Thugs to Bugs Pest Control	Desert Jade Pest Control	0051 080417	420.00	420.00
09/17	09/07/2017	100891	Thugs to Bugs Pest Control	Desert Jade Pest Control	005190117	420.00	420.00
Total 100891:							840.00
09/17	09/07/2017	100892	TurboData Systems	Citation Processing Service	26491	467.35	467.35
Total 100892:							467.35
09/17	09/07/2017	100893	U P S	Service Charges	V337	103.20	103.20
Total 100893:							103.20
09/17	09/07/2017	100894	USA Bluebook	Hach DPD 4	334754	215.87	215.87
Total 100894:							215.87
09/17	09/07/2017	100895	Verizon	tv internet phone	9791143071	38.01	38.01

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
Total 100895:							38.01
09/17	09/07/2017	100896	Waste Management	shooting range disposal co	3771325-2508-2	145.50	145.50
Total 100896:							145.50
09/17	09/07/2017	100897	West Coast Realty/Phuong Hit	Refund 8361 Sherwood	102101.05	51.73	51.73
Total 100897:							51.73
09/17	09/07/2017	100898	Wofford, Rebecca	Uniform Allowance	70117	600.00	600.00
Total 100898:							600.00
Grand Totals:							573,306.55

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 9-7-17Finance Director 

## Report Criteria:

Report type: Invoice detail

Bank.Bank Number = 1

Check.Voided = no



**SPECIAL MEETING  
CITY OF CALIFORNIA CITY  
CITY COUNCIL  
Tuesday, February 14, 2017  
Council Chambers, 21000 Hacienda Blvd.  
MINUTES**

**CALL TO ORDER**

Mayor Wood called the meeting to order at 3:30 pm. City Clerk Hilliker called the roll:

**PRESENT:** McGuire, Parris, Stump, Mayor Pro Tem Gomez, Mayor Wood

**ABSENT:** None

**ADOPTION OF AGENDA**

Motion by Councilmember McGuire, second by Councilmember Parris, to adopt the agenda. Motion carried. 5-0

**PUBLIC COMMENTS ON CLOSED SESSION**

Members of the community voiced their opinions, both pro and con, regarding the City Manager and his employment.

**CLOSED SESSION**

**CS 1.** Pursuant to Cal. Gov't Code §54957; Public Employee: City Manager Evaluation

**CS 2.** Pursuant to Cal. Gov't Code §54956.9(d)(1): Existing Litigation; City of California\_ City v. Bob Dacey Golf, Kern County Superior Court No. BCV-17-100250.

**CS 3.** Pursuant to Cal. Gov't Code §54956.9 (d)(1): Existing Litigation; Charles Ace Cook Jr., v. City of California City ET Al.; Case No. 1:16-CV-00429-DAD-JLT

**CS 4.** Pursuant to Cal. Gov't Code §54956.9(d)(2): Anticipated Litigation (1 case)

**REPORT OUT OF CLOSED SESSION**

City Counsel reported that each of the items were discussed, and direction was given to staff.

Mayor Wood called the Regular Meeting to order at 6:00 pm. Following the Pledge of Allegiance, City Clerk called the roll:

**PRESENT:** McGuire, Parris, Stump, Mayor Pro Tem Gomez, Mayor Wood

**ABSENT:** None

**ADOPTION OF AGENDA**

Motion by Councilmember McGuire, second by Mayor Pro Tem Gomez, to adopt the agenda. Motion carried. 5-0

## **CITY CLERK REPORTS / LATE COMMUNICATIONS**

JM Powers – Erroneous Estimates Distort City Budget at Mid-Year point; Analysis of City Budget at Mid-Year Reveals more than \$7.75 million in Variances

Al Hutson – Printed article: ACLU to Yelm Council: You can't ban citizens from commenting on issues

## **STAFF ANNOUNCEMENTS / REPORTS**

Department heads provided current stats. City Manager Weil provided updates on current projects. City Council announced their attendance at meetings as required by AB 1234.

## **CIVIC / COMMUNITY/ ORGANIZATIONS ANNOUNCEMENTS**

## **PUBLIC BUSINESS**

### **CONSENT CALENDAR**

**CC 1. CITY CHECK REGISTERS** dated through 02/09/17

**CC 2. MINUTES:** Meeting dated 08/09/16

Waive reading of subject minutes, approve as written, and order filed.

**CC 3.** 2017 Cody Waters Off-Road Ride to Service: Request to waive permit fees

**CC 4.** Belgium Filmmaker's Documentary: Request to waive film permit fees

**CC 5.** Human Resources: Personnel Manual Update; Code of Ethics

CC 3, CC 4 and CC 5 pulled for separate discussion.

Motion by Councilmember McGuire, second by Councilmember Parris to approve CC 1 and CC 2. Roll call vote as follows:

**AYES:** McGuire, Stump, Gomez, Wood

**NOES:** Parris

**ABSTAIN:** None

**ABSENT:** None

**CC 3.** 2017 Cody Waters Off-Road Ride to Service: Request to waive permit fees

Upon completion of discussion and clarification, Council placed a motion as follows:

Motion by Councilmember McGuire, second by Councilmember Parris to approve CC 3. Roll call vote as follows:

**AYES:** McGuire, Parris, Stump, Gomez, Wood

**NOES:** None

**ABSTAIN:** None

**ABSENT:** None

**CC 4.** Belgium Filmmaker's Documentary: Request to waive film permit fees

Upon completion of discussion and clarification, Council placed a motion as follows:



Motion by Councilmember Stump, second by Mayor Pro Tem Gomez, to approve CC 4.  
Roll call vote as follows:

**AYES:** McGuire, Parris, Stump, Gomez, Wood

**NOES:** None

**ABSTAIN:** None

**ABSENT:** None

**CC 5. Human Resources: Personnel Manual Update; Code of Ethics**

Upon completion of discussion and clarification, Council placed a motion as follows:

Motion by Councilmember

Roll call vote as follows:

**AYES:** McGuire, Parris, Stump, Gomez, Wood

**NOES:** None

**ABSTAIN:** None

**ABSENT:** None

### **CONTINUED BUSINESS**

**CB 1. Pool House Project: Proposals for Plumbing, HVAC and to Erect Building**

Deputy Building Official Barragan provided the staff report.

Motion by Councilmember McGuire, second by Councilmember Parris to approve as presented. Roll call vote as follows:

**AYES:** McGuire, Parris, Stump, Gomez, Wood

**NOES:** None

**ABSTAIN:** None

**ABSENT:** None

**CB 2. Ground Operations Grant G15-01-26-G01 and RTP Grant RTM-15-018:**  
**Proposed Purchases**

(A) Dump Truck

Motion by Councilmember McGuire, second by Councilmember Parris to approve the purchase in the amount of \$65,000 to \$66,500, as presented. – Motion Carried.

(B) Pick Truck

Motion by Councilmember McGuire, second by Councilmember Stump to approve the purchase of a Ford F150 4 door Crew Cab, 4-Wheel Drive from AV Ford in the amount of \$30,460.03 – Motion Carried.

(C) Articulated Concrete Fabric Project

Motion by Councilmember McGuire, second by Councilmember Parris to approve the Request to use Contech Engineered Solutions as presented. – Motion Carried.

**CB 3. Medical Marijuana Taxation (Discussion)**

Motion by Councilmember McGuire, second by Councilmember Parris to continue this item. Meeting will reconvene on 02/15/17 at 6:00pm – Motion Carried.

Respectfully submitted by,

Denise Hilliker, City Clerk

**APPROVED BY CITY COUNCIL ON \_\_\_\_\_**

**CITY OF CALIFORNIA CITY  
CITY COUNCIL  
Tuesday, February 28, 2017  
Council Chambers, 21000 Hacienda Blvd.  
MINUTES**

**CALL TO ORDER**

Mayor Wood called the meeting to order at 6:00pm. Deputy City Clerk Sprague called the roll:

**PRESENT:** McGuire, Parris, Stump, Mayor Pro Tem Gomez, Mayor Wood

**ABSENT:** None

**ADOPT AGENDA**

Motion by Councilmember McGuire, second by Mayor Pro Tem Gomez, to adopt the agenda. Motion carried. 5-0

**PLEDGE OF ALLEGIANCE / INVOCATION**

**CITY CLERK REPORTS / LATE COMMUNICATIONS**

02/21/17 – J.M. Powers; The large parcel count discrepancy of 1,853 parcels needs to be reconciled in the city's property records.

02/22/17 – Al Hutson; Revision 1\*\*\*: proposed yes vote.

02/22/17 – DJ Twohig; Question about agenda packages.

02/27/17 – DJ Twohig; California City cannabis tax.

02/27/17 – DJ Twohig; Ballot measure language, MCC core values, stand up fair taxes, cannabis tax measure.

**PRESENTATIONS**

City Treasurer Middleton – January 2017 Report

Auditor presentation update

**STAFF ANNOUNCEMENTS / REPORTS**

Police Lt. Huizar – recovered stolen bicycles, search warrants served, 75 arrests, 131 citations.

Fire Captain Roach – provided update regarding Fire Station completion time.

Encouraged community to be proactive by removing brush/dry vegetation around their homes.

Public Works Director Platt – department statistics, Hyundai backflow relocation in progress, Ball Field update.

Finance Director O'Laughlin – audit was discouraging, working to finalize. Housing & Successor Agency are being included within the city books by March 31<sup>st</sup>, 2017.

Parks and Recreation – City Manager Weil provided updates with regards to the parks and recreation department, events, etc. in Daverins absence.

City Manager Weil – Update regarding MMJ applicants. Will bring recommendations to council next meeting.

AB 1234 – 01/24/17, Remote Access Meeting. 01/26/17, KernEDC. 01/30/17, Mayor & City Manager Meeting. 02/07/17, SCE regarding MMJ. 02/16/17, Met with Supervisor Scrivner and County regarding information previously discussed; Transport and KCOG funds available.

### **PUBLIC COMMENT**

David Stafford – septic quantity questions.

David Fleck – Attorney representing Police Chief Eric Hurtado, read a statement.

Rick Warren – displeased with special treatment/s.

Bill Smith – asked for update regarding Police Chief Hurtado's absence.

Tom Weil – asked that the matter is not discussed.

Jeff Brader – advised the amount of time that the Chief has been absent.

Ron Smith – Disappointed that the Fire staff are completing final stages of the station build.

Rachel Newton – continued reading statement from David Fleck.

Priscilla – finished reading statement from David Fleck.

Joe Boyd – enquired about Cindy Berry's employment.

Mayor asked to close public comment; to be continued after NB4.

DJ Twohig polled the Council on whether they wanted to close public comment.

Motion by Councilmember Parris, second by Stump, to continue Public Business from the floor. Motion carried.

Public Comment continued;

Thomas Perciville – enquired about whom he would see regarding trash on a lot, and about the film crew in town.

Carla Conry – advised she was a community activist.

DJ Twohig – issues with 5 year plan.

Al Hutson – Civil rights violations; Mesa vs White. One cannot be silenced in public comment.

Tony (inaudible last name) – asked where his tax funds are going. Need medical facilities not baseball and saving the lake.

Lou Peralta – things have to change, city does things without permits.

Elana Ubank (sp) – concerned about the MMJ tax measure.

Beth Tona – asked why Tom is still here.

### **CONSENT CALENDAR**

**CC 1. CITY CHECK REGISTERS:** dated through 02/23/17

**CC 2. MINUTES:** Meeting dated 09/27/16

Waive reading of subject minutes, approve as written, and order filed.

**CC 3. Police Department Security Gate** – budgeted item

**CC 4. Reclassification of Finance Employee** – follows Personnel Manual

Mayor Wood advised that check number 99414 has been replaced with check number 99450.

Al Hutson received clarification regarding check numbers 99375, 99368.

Councilmember McGuire received clarification regarding CC3.

Motion by Councilmember Stump, second by Councilmember Parris to approve Consent Calendar. Roll call vote as follows:

**AYES:** McGuire, Stump, Gomez, Wood

**NOES:** Parris

**ABSTAIN:** None

**ABSENT:** None

Prior to CB 1(a) and 1(b) – Legal Counsel provided a statement on behalf Mayor Pro Tem Gomez regarding “Legally Required Participation” – full document included into the record. (see attached).

### **CONTINUED BUSINESS**

#### **CB 1(a) Fiscal Emergency Resolution**

Public Comment:

Ron Smith – Opposed to MMJ. Appreciated Gomez for revealing his interests regarding CB 1(b). Concerned that we are already in a fiscal emergency and essential services are required.

Al Hutson – this is procedure that is prerequisite to CB 1 (b).

DJ Towhig – read a portion of a statement that he sent to council members.

Council:

McGuire received clarification from Legal Counsel that we are only dealing with the fiscal emergency.

Motion by Councilmember Stump, second by Councilmember McGuire to approve “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALIFORNIA CITY, CALIFORNIA DECLARING A FISCAL EMERGENCY”. - Roll call vote as follows:

**AYES:** McGuire, Parris, Stump, Mayor Pro Tem Gomez, Mayor Wood

**NOES:** None

**ABSTAIN:** None

**ABSENT:** None

Legal Counsel advised that at this time that Mayor Pro Tem will now recluse himself.

#### **CB 1(b) Medical Marijuana Business Tax Resolution**

City Manager Weil read the staff report and introduced Mark from HdL. Mark introduced himself and his background and presented information via a presentation on the projector.

Public Comment:

DJ Towhig – asked for 5 minutes instead of the 3 minutes to speak. Mayor approved.  
Karen Mascenedio (sp) – received clarification regarding some language contained in the HdL presentation.

Christy Mundt – would like to see the number of permits allowed increased. Is in favor.

Elona Urbank – concerned as there are no accurate references contained in the presentation.

DJ Twohig – asked for more research to be provided.

Rick Warren – start with the lowest recommendation and have a sunset clause.

Al Hutson – need SWOT, need to maximize cultivation, stabilize revenue.

Lou Peralta – in favor of a percentage. In favor to get on the ballot.

Alan Bell – in favor of placing on ballot.

Kenneth Kidwell – people who are going to be paying this tax, are being left out of the discussion.

Ron Smith – opposes tax. Asked Council for three more minutes for DJ Twohig to finish his statement.

Josh Meister – advised that there are 31 applications, all in attendance received clarification from HdL of these benefits.

Jane Riding – received clarification regarding the numbers presented on the screen.

Council:

McGuire – would like the 15, 13, 11 to start.

Stump – would like a tiered rate; 8, 6, 2.

Parris – would like the 5, 3, 1.

Wood – would like the 7, 5, 3, max 10, CPI after 3 years.

Further Public Comment:

Elona Urbank – again stated that there is no real data and no references to support the information being presented.

Alan Bell – advised to visit Colorado and see how they're doing it.

Rick Warren – 21 applicants, people will be here.

Kenneth Kidwell – disagrees with the numbers.

Christy Mundt – agrees with Stump's numbers, is willing to go door-to-door in support.

Al Hutson – scrap CPI, as sales increase so will the tax.

Josh Meister – would like to see 7, 5, 3 and 8, 6, 4. No limit on # of permits, nurseries lower fees. \$50 per square foot, minimum of 3000 square feet.

Don Trumble – 5, 3, 1, \$0.50 nursery.

Lou Peralta – 1 nursery, 5 indoors – cap \$10.00

Gene Stump – 8, 6, 2, \$0.50 nursery.

Council Comment:

Stump – echoed from his earlier statement; 8, 6, 1 + 6%

Parris – 7, 5, 1, \$0.50.

Wood – 7, 5, 1.

Public continued:

Ron Smith – doesn't make sense to have a 3 million – 6 million, conservative number – No.

Dj Twohig – opposes the verbiage on the proposed ballot.

Motion by Councilmember McGuire, second by Councilmember Stump to approve and include the tax rates as follows: Max 7, 5, 1 + \$.50, into "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALIFORNIA CITY, CALIFORNIA CALLING A SPECIAL MUNICIPAL ELECTION OT BE HELD ON TUESDAY, JUNE 6, 2017 FOR THE PURPOSE OF SUBMITTING A CANNABIS BUSINESS TAX MEASURE TO THE VOTERS OF THE CITY; REQUESTING THE ASSISTANCE OF THE COUNTY OF KERN IN CONNECTION WITH THAT ELECTION; AND REQUESTING CONSOLIDATION OF THAT ELECTION WITH ANY OTHER ELECTION HELD ON THAT DATE" - Roll call vote as follows:

**AYES:** McGuire, Parris, Stump, Mayor Wood

**NOES:** None

**ABSTAIN:** Mayor Pro Tem Gomez

**ABSENT:** None

Recess Meeting at 10:55pm for 15 minutes

Back in session at 11:00pm

**CB 2.** PTMISEA Grant – Fare Boxes, Security Cameras, Transmission replacement – Dial-a-Ride Buses

Public Works Director, Platt, provided modified data to include repair to a fourth bus.

Totaling \$51, 570 in repairs for the Dial-a-Ride buses. Staff requested that these repairs be included in the grant reimbursement from PTMISEA.

Motion by Councilmember McGuire, second by Councilmember Stump to approve the inclusion of the repair costs, for the Dial-a-Ride buses, into the PTMISEA Grant Reimbursement Application - Roll call vote as follows:

**AYES:** McGuire, Parris, Stump, Mayor Pro Tem Gomez, Mayor Wood

**NOES:** None

**ABSTAIN:** None

**ABSENT:** None

## **NEW BUSINESS**

**NB 1.** OHMVR Division 2017/2018 Grant Year Application – OHV Recreation Staff Ruthanne Welling read the staff report.

Motion by Councilmember McGuire, second by Councilmember Parris to approve the 2017/2018 OHMVR Division Grant Application - Roll call vote as follows:

**AYES:** McGuire, Parris, Stump, Mayor Pro Tem Gomez, Mayor Wood

**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None

**NB 2. Pool House Plumbing Contract** – City Manager Weil

Public Works Director Platt read the staff report. Three proposals were requested, one responded, however, staff has been unable to contact the contractor to confirm the actual cost. Staff requested that expenditures be approved up to \$68,000. If the cost is more, staff will bring back to council for approval.

Motion by Councilmember McGuire, second by Councilmember Parris to approve up to \$68,000 for the pool house plumbing contract. - Roll call vote as follows:

**AYES:** McGuire, Parris, Stump, Mayor Pro Tem Gomez, Mayor Wood  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None

**NB 3. Police Department Vehicle Equipment** – Police Lt. Huizar

Lt. Huizar read the staff report.

Mayor Wood received clarification regarding the funds transfer form.

Stump mentioned the Fire Department budget, they need to come up with realistic numbers.

Motion by Councilmember Stump, second by Councilmember McGuire to approve the purchase as presented in the amount of \$64,497.73. - Roll call vote as follows:

**AYES:** McGuire, Parris, Stump, Mayor Pro Tem Gomez, Mayor Wood  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None

**NB 4. New Finance Employment Position** – Finance Director O’Laughlin

Finance Director O’Laughlin read the staff report.

Public Comment:

Keith Middleton – in favor.

Alan Bell received clarification that this position would be full time.

Ron Smith opposes the position, feels that it is an insult to public safety.

DJ Twohig – in favor if resources exist.

Council:

Mayor Wood advised that this position would be supported through MMB permit funds.

Gene Stump – we need this position to maintain.

Gomez – dislikes spending the money, however, this position is needed.



Public Comment Continued:

Ron Smith – feels this is fiscally irresponsible.

DJ Twohig – enquired about measuring the results for this position.

Motion by Councilmember McGuire, second by Mayor Pro Tem Gomez, to approve the employment position as presented. - Roll call vote as follows:

**AYES:** McGuire, Parris, Stump, Mayor Pro Tem Gomez, Mayor Wood

**NOES:** None

**ABSTAIN:** None

**ABSENT:** None

### **COUNCIL AGENDA**

Councilmember McGuire – shared a text from a member of the community expressing staffing.

Councilmember Parris – enquired about the Fire Chief. City Manager Weil provided response.

Councilmember Stump – tasked Tom Weil to do an assessment with an outside organization. MMJ next agenda.

Mayor Wood – received clarification from Public Works Director, Platt, regarding the absence of the Building Inspector.

### **ADJOURNMENT**

Motion by Councilmember McGuire, second by Councilmember Stump to adjourn the meeting at 11:50pm – Motion Carried.

Respectfully Submitted by,

Jan Sprague, Deputy City Clerk

**APPROVED BY COUNCIL ON \_\_\_\_\_**

## Janet Sprague

---

**From:** Scott E. Porter <sep@jones-mayer.com>  
**Sent:** Tuesday, February 28, 2017 11:40 PM  
**To:** Janet Sprague  
**Cc:** William T. Weil; Christian L. Bettenhausen  
**Subject:** Discussion  
**Attachments:** Legally Required Participation - Gomez.docx

Janet,

Attached is the language that was read into the record to comply with 2 CCR 18705 ("Legally Required Participation"). It is legally required that this document be "made part of the official public record either as part of the minutes of the meeting or as a writing filed with the agency. The writing shall be prepared by the public official and/or any officer or employee and shall be placed in a public file of the agency within 30 days after the meeting."

Your call how you want to handle it. Personally, I think the easiest way to handle this is for you to store this document among the documents related to this meeting.

Thanks.

Scott Porter  
Jones & Mayer  
sep@jones-mayer.com  
(310) 666-8893

### PRIVILEGED AND CONFIDENTIAL COMMUNICATION

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**City Attorney:** Later on tonight's agenda is a proposal to place before the City's voters a municipal tax on marijuana. The proposed tax is what is known as a "general tax." That other agenda item requires a 4/5 vote to proceed.

But Section 2(b) of Article XIII C of the California Constitution says that such a vote cannot proceed unless the City Council first adopts a resolution declaring a fiscal emergency. And the resolution of fiscal emergency cannot be adopted unless *all five* City Council members vote in favor of the resolution.

As you are aware, in general, conflict of interest laws prohibit members of the City Council from participating in any matter where their own economic interests may be affected as a result of their vote.

However, California ethics laws recognize that there may be instances where a councilmember is legally *required* to participate notwithstanding a potential conflict of interest. This is one of those times because the Constitution requires a unanimous vote of the City Council to adopt a resolution declaring a fiscal emergency.

Councilmember Gomez has informed me of two economic interests that may be affected by his vote. Consistent with the requirements of California law, he will now disclose publicly his economic interests that may be affected as a result of his vote:

**Councilmember Gomez:**

I have various economic interests that may be affected.

First are my business and investment positions. I own shares in two LLCs that may be affected by the outcome of this matter because their value may be affected by the amount of the tax:

First, I own shares in "The Healing Heart Collective, LLC" a limited liability company that has applied to the City to both distribute and transport medical marijuana.

Second, I own shares in the "Cal City Cultivation Group, LLC." This limited liability company has applied to the City for two licenses for manufacturing medical marijuana and two licenses for cultivation of medical marijuana.

I also have real estate interests that may be affected by consideration of this matter. I own four parcels in the City that might have their value affected. These parcels are as follows:

The first two parcels are immediately adjacent to each other. They are on Redwood Blvd., approximately 1000 feet west of the Waste Management Facility.

The third parcel is a 10 acre parcel on Yerba Road approximately 500 feet north of Lindburg Blvd.

The fourth parcel is a 2.5 acre parcel on Yerba Road approximately 500 feet south of Lindburg Blvd.

=====

**City Attorney:** Because Councilmember Gomez has made the legally required disclosures, and because his participation is legally required under Section 2(b) of Article XIII of the California Constitution, Councilmember Gomez may participate to the same extent as any other City Councilmember.

That stated, the public may notice that Councilmember Gomez is unlikely to comment during the Council's consideration of this item. He is legally allowed to fully participate just as can any other member of the City Council. Nevertheless, to avoid any appearance of impropriety, he has volunteered to limit his impact on this discussion as much as possible. So if you note his limited participation in this matter, that may be why.

## ORDINANCE NO . 17-752

### AN ORDINANCE AMENDING TITLE 5, CHAPTER 6, ENTITLED "MEDICAL MARIJUANA BUSINESSES AND ACTIVITY"

WHEREAS, Title 5, Chapter 6, of the California City Municipal Code, entitled "Medical Marijuana Businesses and Activity", enacted by Ordinance No. 16-742 that established a permitting process for persons engaging in any medical marijuana business in the City of California City; and

WHEREAS, the Medical Marijuana Ordinance does not presently allow permittees to operate a medical marijuana business at any location other than the location specifically authorized and identified on the City issued medical marijuana business permit.

WHEREAS, the City Council desires to amend the Medical Marijuana Ordinance to allow permittees to request an amendment to a City issued medical marijuana business permit to allow permittees to relocate a medical marijuana business from one location to another; or to otherwise change the location identified on the City issued medical marijuana business permit from one specifically authorized location to another specifically authorized location.

WHEREAS, the City desires that a request by a permittee to change the specifically authorized location identified on a City issued medical marijuana business permit be granted by the City freely pursuant to an administrative ministerial review.

NOW THEREFORE, the City Council of the City of California City does ordain as follows:

**SECTION 1.** Section 5-6.704, Subsection (a) of Article 3 of Title 5, Chapter 6, of the California City Municipal Code, entitled "Medical Marijuana Businesses and Activity", enacted by Ordinance No. 16-742 is hereby amended to read as follows:

**Article 3. Medical Marijuana Business Permits Required for Owner/Operator; Medical marijuana Work Permit Required for Employees.**

Sec. 5-6.704. Prohibition on Transfer of Medical Marijuana Business Permits.

(a) No person shall operate a medical marijuana business at any location other than the location specifically authorized and identified on the City issued medical marijuana business permit.

1. A permittee may request that the specifically authorized location identified on the City issued medical marijuana business permit be changed to another specifically authorized location without the need to reapply for a new permit.

**SECTION 2.** Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held invalid by a court of competent jurisdiction, such a decision shall not affect the validity of the remaining portions of this Ordinance. The City Council declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses, or phrases, be declared invalid.

**SECTION 3.** Effective Date. This ordinance shall be in full force and effect commencing thirty (30) days after its final adoption and a summary hereof shall be published once within fifteen (15) days in the Mojave Desert News, a newspaper of general circulation printed and published in the County of Kern and circulated in the City of California City and hereby designated for that purpose by the City Council.

This Ordinance was introduced and read by title only on the 22<sup>nd</sup> day of August, 2017 and was passed and adopted on this \_\_\_th day of \_\_\_\_\_, 2017 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Jennifer Wood, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Jan Sprague, Deputy City Clerk

\_\_\_\_\_  
Christian Bettenhausen, City Attorney

STATE OF CALIFORNIA            )  
COUNTY OF KERN                ) ss.  
CITY OF CALIFORNIA CITY        )

I, Jan Sprague, Deputy City Clerk of the City of California City do hereby certify that the foregoing ordinance was introduced on the 22<sup>nd</sup> day of August, 2017, was regularly adopted at a meeting thereof on the \_\_\_th day of \_\_\_, 2017, and was published/posted pursuant to law

\_\_\_\_\_  
Jan Sprague, Deputy City Clerk

**CITY COUNCIL**  
**MEETING DATE: September 12, 2017**

**TO:** City Council

**FROM:** Public Works Director

**SUBJECT:** Public Hearing to Adopt an Initial Study, Mitigated Negative Declaration, and Zone Change 187, State Clearinghouse Number (SCH) 2017081010

**BACKGROUND:**

The owner is Fred Whitney, JBL & Associates Incorporated, 9049 California City Boulevard, California City, CA 93505. The Planning Commission conducted a public hearing on Tuesday, August 15, 2017 with a recommendation to approve by Resolution 08-15-2017PC ZC 187 by a vote of 4-1 and forward to City Council. The SDR (SDR 17-13) meeting for Zone Change 187 was conducted on Tuesday, July 25, 2017, with a favorable recommendation to move forward to public hearing.

Zone Change 187 is necessary to rezone approximately 160 acres from O/RA Open Space/Residential Agricultural to M1 Light Industrial for the purpose of creating an industrial zone for medical marijuana. The property lies within the project area of the 1988-2028 City of California City Redevelopment Plan and Project Area Environmental Impact Report (EIR) (SCH #871109128). The property is located 2 ½ miles north of California City Boulevard on the west side of Neuralia Road in the southwest one-fourth of Section 10, Township 32 South, Range 37 East, Mount Diablo Base & Meridian, APN 302-310-16.

On Friday, August 4, 2017 the Notice of Intent and the Notice of Availability was posted in three public places. The Initial Study, Mitigated Negative Declaration, and Zone Change 187 was made available on the City's website at [www.californiacity-ca.gov](http://www.californiacity-ca.gov). The public hearing notice was published in the local newspaper of general circulation and staff mailed 45 letters to affected property owners, ten (10) days prior to this public hearing.

**RECOMMENDATION:** Conduct the public hearing, take public testimony, and approve the Initial Study, Mitigated Negative Declaration, and Zone Change 187 by City Council Ordinance.

**SOURCE OF FUNDING:** N/A

**ENVIRONMENTAL ACTION:** An Initial Study, Mitigated Negative Declaration, Zone Change 187 was submitted to the State Clearinghouse for a 30-day review period beginning on Friday, August 4, 2017 and concludes at COB on Tuesday, September 5, 2017.

PH1

**ORDINANCE NO.**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY  
OF CALIFORNIA CITY ADOPTING ZONE CHANGE NO. 187**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CALIFORNIA CITY as  
follows:**

**1. Purpose.**

This ordinance adopts Zone Change No. 187, State Clearinghouse (SCH) Number 2017081010.

PC

**2. Findings.**

The council finds, determines and declares:

(a) A duly-noticed public hearing has been conducted by the Planning Commission and by the City Council to consider the zone change set forth herein.

(b) This zone change will not result in significant adverse environmental impacts.

(c) This zone change will promote the welfare of the community.

(d) This zone change is consistent with the general plan and zoning regulations.

(e) This project was reviewed and approved by Staff Development Review.

(f) The Planning Commission approved the proposal by Resolution No. 08-15-2017PC  
ZC187.

**3. Property Description.**

The property affected by this ordinance (herein "subject property") consists of approximately 160 acres located 2 ½ miles north of California City Boulevard on the west side of Neuralia Road in the southwest one-fourth of Section 10, Township 32 South, Range 37 East, Mount Diablo Base & Meridian, APN 302-310-16. The property lies within the project area of the 1988-2028 City of California City Redevelopment Plan and Project Area Environmental Impact Report (EIR) (SCH #871109128).

**4. Zoning Amendment**

This Zone Change No. 187 rezones the subject property from Open Space/Residential Agricultural (O/RA) to Light Industrial (M1).

**PASSED, APPROVED AND AOPTED** on September 12, 2017, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

[SEAL]





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# Eastern Kern

## Air Pollution Control District

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Glen E. Stephens, P.E.  
Air Pollution Control Officer

August 23, 2017

Mr. William T. Weil, City Manager  
City of California City  
21000 Hacienda Blvd.  
California City, CA 93505

SUBJECT: Comments for Initial Study, Mitigated Negative Declaration, and Zone Change 187  
Located at Lindburgh Boulevard & Nerualia Road, APN 302-310-16

Dear Mr. Weil:

Eastern Kern Air Pollution Control District (District) has received your Initial Study, Mitigated Negative Declaration, and Zone Change 187 to accommodate medical marijuana indoor facilities located in California City

In accordance with District Rule 402 (Fugitive Dust), construction activity located on a site involving 10 or more contiguous acres of disturbed surface area, earthmoving activity exceeding a daily volume of 10,000 cubic yards, or relocating more than 2,500 cubic yards per day of bulk materials at least 3 days per year requires a Fugitive Dust Emission Control Plan (Dust Plan) be submitted to the District and approved by the Air Pollution Control Officer (APCO) prior to the start of construction. Agricultural operation sites of 10 acres or more are required to submit a Conservation Management Practice Plan (CMP Plan) to the District within 180 days in accordance with District Rule 402.2 (Agricultural Operations).

If solvents are utilized as part of operations, permits will be required for the processes using them in accordance with District Rule 201 (Permits Required) and Rule 210.1 (New and Modified Stationary Source Review). If stationary engines rated at 50-bhp or greater are employed for construction or agricultural operations, they will either need to be permitted or registered with the District.

If you have any questions or concerns, feel free to contact Samuel Johnson of my staff at (661) 862-5250 or [johnsonsam@co.kern.ca.us](mailto:johnsonsam@co.kern.ca.us).

Sincerely,

A handwritten signature in blue ink, appearing to read "Glen E. Stephens".

Glen E. Stephens, P.E.  
Air Pollution Control Officer

GES:SJ:tf

2C187

**Ronna Greene**

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**From:** William T. Weil  
**Sent:** Wednesday, September 06, 2017 3:17 PM  
**To:** Ronna Greene  
**Cc:** Building2; Tiffany Carter  
**Subject:** FW: MNDs 187 and 188

FYI

**From:** Ray Bransfield [mailto:ray\_bransfield@fws.gov]  
**Sent:** Wednesday, September 06, 2017 9:45 AM  
**To:** William T. Weil <citymgr@californiacity-ca.gov>  
**Subject:** MNDs 187 and 188

Tom,  
I'm glad we finally connected today. I apologize for not being able to get you a full response to the two mitigated negative declarations but I have included the gist of the response here.

For MND 187, I appreciate your efforts to avoid desert tortoises. I just wanted to caution that desert tortoises can move around; in the event it decides to be somewhere else in the future, I suggest that the City tweak a couple of the avoidance measures in the MND.

Second bullet: This measure calls for obtaining "appropriate permits ... to relocate the animal." Applying for an incidental take permit to relocate desert tortoises, pursuant to section 10(a)(1)(B) of the Endangered Species Act, could be a lengthy process. Additionally, the applicant should be aware that obtaining an incidental take permit is not a ministerial process; that is, the Service can only issue an incidental take permit if the applicant meets the issuance criteria required by the section 10(a)(1)(B) regulations. (See 50 Code of Federal Regulations 17.22(b)(2)(i) and 17.32(b)(2)(i).) Therefore, early communication and coordination among the Service, City, and applicant would be very important to address issues related to the desert tortoise.

Third bullet: This measure states that "Construction activities that take place during periods of desert tortoise inactivity or in areas not deemed suitable habitat will not be required to have biological monitors present." We caution that desert tortoises may be active at any time of the year when conditions are appropriate; additionally, they may be attracted to construction sites if workers are spraying water to control dust. For this reason, we recommend that the City change this measure to the following:

A qualified biological monitor will be present during construction activities at least until pre-construction surveys have demonstrated that desert tortoises are not present within the project area and a fence to exclude their entry into the site has been constructed.

We appreciate inclusion of the City's last measure that addresses containing trash that would attract common ravens (*Corvus corax*). Regardless of these measures, future development and operation at this site would likely provide some subsidies to common ravens in the form of shelter and perching sites. At some point, I would like to visit with you and your staff to discuss the management program for common ravens that the U.S. Fish and Wildlife Service is implementing in the California desert.

I also appreciate the measure in the MND to avoid impacts to migratory birds. Because some migratory birds may breed outside of the specific time frame mentioned in the measure and birds will construct nests and lay eggs in less than a week, I offer the following suggestion:

If possible, removal of vegetation should occur outside the breeding season for migratory birds; breeding generally lasts from February to July but may extend beyond this time frame. If vegetation removal will occur during or close to the nesting season, a qualified biologist will survey all areas to be disturbed as close as possible but no more than one week prior to removal. If active bird nests are found, the applicants will avoid impacts to nests by either delaying work or establishing buffer areas of a minimum of 500 feet around nests.

I suspect that the area covered by MND 188 is less likely to support desert tortoises but suggest that the MND include at least a cautionary note. I also suggest that it include the same language for migratory birds.

Thanks for taking the time to talk today. If you have any questions, please contact me at (805) 677-3398 or [ray\\_bransfield@fws.gov](mailto:ray_bransfield@fws.gov).

Ray



ZC187



## Lahontan Regional Water Quality Control Board

August 29, 2017

File: Environmental Doc Review  
Kern County

William T. Weil, City Manager  
City of California City  
21000 Hacienda Blvd.  
California City, CA 93505  
citymgr@californiacity.gov

### **Comments on the Initial Study and Mitigated Negative Declaration for Cannabis Cultivation and Manufacturing, City of California City, Kern County, State Clearinghouse Number 2017081010**

The California Regional Water Quality Control Board, Lahontan Region (Water Board) staff received an Initial Study and Mitigated Negative Declaration (IS/MND) for the above-referenced Project (Project) on August 7, 2017. The IS/MND was prepared by the City of California City Planning Department (City) and submitted in compliance with provisions of the California Environmental Quality Act (CEQA). The proposed Project will allow cannabis cultivation and manufacturing in newly constructed buildings within an area that will need to be rezoned to Light Industrial (LI).

Water Board staff, acting as a responsible agency, is providing these comments to specify the scope and content of the environmental information germane to our statutory responsibilities pursuant to CEQA Guidelines, California Code of Regulations (CCR), title 14, section 15096. We thank the City for providing Water Board staff the opportunity to review and comment on the IS/MND and for taking the initiative to develop the IS/MND with considerations to potential effects on water quality. Based on our review of the IS/MND, we recommend revising appropriate sections of the IS/MND to address the potential water quality concerns associated with the quality and quantity of industrial wastewater that will be generated by the cannabis cultivation, and describe the specific mitigation measures that will be imposed to reduce potential impacts to a less than significant level. We also recommend the Project description be revised to include sufficient detail of key Project components, including site specific sediment and erosion control Best Management Practices (BMPs). Our comments on the proposed Project are outlined below.

### **WATER BOARD'S AUTHORITY**

All groundwater and surface waters are considered waters of the State. All waters of the State are protected under California law. State law assigns responsibility for

PETER C. PUMPHREY, CHAIR | PATTY Z. KOUYOUNJIAN, EXECUTIVE OFFICER

2501 Lake Tahoe Blvd., So. Lake Tahoe, CA 96150 | 15095 Amargosa Road Bldg 2, Ste 210, Victorville, CA 92594  
e-mail: Lahontan@waterboards.ca.gov | website: www.waterboards.ca.gov/lahontan

protection of water quality in the Lahontan Region to the Lahontan Water Board. Some waters of the State are also waters of the United States. The Federal Clean Water Act (CWA) provides additional protection for those waters of the State that are also waters of the United States.

The *Water Quality Control Plan for the Lahontan Region* (Basin Plan) contains policies that the Water Board uses with other laws and regulations to protect the quality of waters of the State within the Lahontan Region. The Basin Plan sets forth water quality standards for surface water and groundwater of the Region, which include designated beneficial uses as well as narrative and numerical objectives which must be maintained or attained to protect those uses. The Basin Plan can be accessed via the Water Board's web site at [http://www.waterboards.ca.gov/lahontan/water\\_issues/programs/basin\\_plan/references.shtml](http://www.waterboards.ca.gov/lahontan/water_issues/programs/basin_plan/references.shtml).

## **SPECIFIC COMMENTS**

We recommend the following be included as part of the proposed Project and considered in the environmental review.

1. The proposed Project states that industrial wastewater will be discharged to an existing septic system but, fails to identify how much waste will be discharged and what the waste will be comprised of. It should be noted that the industrial wastewater from indoor cultivation, regardless of the agricultural product, presents several water quality concerns that need to be evaluated. Fertilizer, pesticide, herbicide, and rodenticide could be used in the growing operation. Petroleum products, biodiesel, and other potentially hazardous chemicals may be used in facility maintenance and equipment operations. Runoff from irrigation and water used in cleaning has the potential to concentrate all of these chemicals into industrial wastewater that discharges to the septic system. The quality of industrial wastewater generated by these types of facilities will need to be evaluated in the environmental document including the process for how the industrial wastewater will be collected and treated. It is not sufficient to state that all wastewater will be disposed of via recirculatory systems. Please revise appropriate sections of the IS/MND to address the potential water quality concerns associated with the quality and quantity of industrial wastewater that will be generated by the cannabis cultivation, and to describe the specific mitigation measures that will be imposed to reduce potential impacts to a less than significant level.

For industrial wastewater discharges to an existing sanitary sewer system and publically owned treatment works, the discharge will need to comply with all pretreatment requirements outlined in CWA section 307. In addition, discharges to existing sanitary sewer systems must (1) be in such a manner so as to not cause violations of effluent limits or other requirements of Waste Discharge Requirements imposed on the treatment facility by the Water Board, and (2) not interfere with the wastewater treatment processes at the receiving wastewater



treatment facility. For industrial wastewater discharges to an onsite wastewater disposal system, the Project proponent will be required to submit a Form 200 to the Water Board and receive our authorization prior to any onsite discharges occurring.

2. The IS/MND provides a brief overview of the Project, but provides little explanation to substantiate the findings that the Project will not have a significant effect on the environment, particularly on hydrology and water quality. The Project description should be revised to include sufficient detail of key Project components, including a list of site specific sediment and erosion control BMPs as well as other mitigation measures intended to reduce potentially significant impacts to a less than significant level, so that Water Board staff reviewing the environmental document has adequate information to evaluate the Project's potential impacts to hydrology and water quality resources.
3. The IS/MND refers to the proposed Project as having a storm water drainage system that would be used to address drainage and runoff, yet gives no details regarding drainage design. Because increased runoff from developed areas is a key variable driving a number of other adverse effects, attention to maintaining the pre-development hydrograph will prevent or minimize many problems and will limit the need for other analyses and mitigation. However, traditional methods for managing storm water do not adequately protect the environment and tend to treat symptoms instead of causes. Such practices have led to channelization and stream armoring that permanently alter stream habitat, hydrology, and aesthetics, resulting in overall degradation of a watershed. The IS/MND should be revised to include an adequate description of proposed and existing drainage facilities, and to describe the specific mitigation measures to reduce potential impacts to a less than significant level.
4. The Project is located within the Koehn Hydrologic Area (Hydrologic Unit No. 625.40) of the Fremont Hydrologic Unit and overlies the Fremont Valley groundwater basin (Basin No. 6-46). The beneficial uses of these waters are listed either by watershed (for surface waters) and by groundwater basin (for groundwater) in Chapter 2 of the Basin Plan. The proposed Project should identify and list the beneficial uses of all water resources within the Project area and include an analysis of the potential impacts to water quality and hydrology with respect to those beneficial uses.

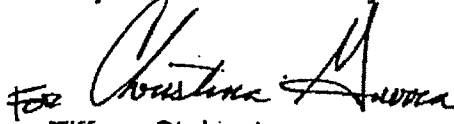
## **PERMITTING REQUIREMENTS FOR INDIVIDUAL PROJECTS**

A number of activities implemented by individual projects in accordance with the General Plan amendment have the potential to impact waters of the State and, therefore, may require permits issued by either the State Water Resources Control Board (State Water Board) or Lahontan Water Board. The required permits may include the following.

5. Land disturbance of more than 1 acre may require a CWA, section 402(p) storm water permit, including a *National Pollutant Discharge Elimination System (NPDES) General Construction Storm Water Permit*, Water Quality Order (WQO) 2009-0009-DWQ, obtained from the State Water Board, or individual storm water permit obtained from the Lahontan Water Board.
6. Depending on the Standard Industrial Classification (SIC) code for industrial-type activities at a specific site, individual projects may require an *NPDES General Industrial Storm Water Permit*, WQO-2014-0057-DWQ, obtained from the State Water Board, or individual Storm Water Permit obtained from the Lahontan Water Board.
7. Discharge of waste to land (i.e. evaporation ponds) may require WDRs issued by the Lahontan Water Board in compliance with the CCR, title 27, section 20005 et seq. If the Project includes wastes that can be characterized as either designated and/or non-hazardous, and a planned discharge to land would occur, the discharger will be required to submit the Report of Waste Discharge application, Form 200, to the Water Board.

We request that the IS/MND recognize the potential permits that may be required for the project, as outlined above, and identify the specific activities that may trigger these permitting actions in the appropriate sections of the environmental document. Information regarding these permits, including application forms, can be downloaded from our web site at <http://www.waterboards.ca.gov/lahontan/>. Early consultation with Water Board staff regarding potential permitting is recommended.

Thank you for the opportunity to comment on the IS/MND. If you have any questions regarding this letter, please contact me at (760) 241-7305 [tiffany.steinert@waterboards.ca.gov](mailto:tiffany.steinert@waterboards.ca.gov) or Jan Zimmerman, Senior Engineering Geologist, at (760) 241-7404 [jan.zimmerman@waterboards.ca.gov](mailto:jan.zimmerman@waterboards.ca.gov). Please send all future correspondence regarding this Project to the Water Board's email address at [Lahontan@waterboards.ca.gov](mailto:Lahontan@waterboards.ca.gov) and be sure to include the State Clearinghouse No. and Project name in the subject line.

  
Tiffany Steinert  
Engineering Geologist

cc: State Clearinghouse (SCH 2017081010) ([state.clearinghouse@opr.ca.gov](mailto:state.clearinghouse@opr.ca.gov))  
California Department of Fish and Wildlife ([reg4assistant@wildlife.ca.gov](mailto:reg4assistant@wildlife.ca.gov))





**CITY COUNCIL**  
**MEETING DATE: September 12, 2017**

**TO:** City Council

**FROM:** Public Works Director

**SUBJECT:** Public Hearing to Adopt an Initial Study, Mitigated Negative Declaration, and Zone Change 188, State Clearinghouse Number (SCH) 2017081011

**BACKGROUND:**

The owner is James Williams, 21620 Everett Drive, California City, CA 93505. The Planning Commission conducted a public hearing on Tuesday, August 15, 2017 with a recommendation to approve by Resolution 08-15-2017PC ZC 188 by a vote of 5-0 and forward to the City Council. The SDR (SDR 17-66) meeting for Zone Change 188 was conducted on Tuesday, July 25, 2017, with a favorable recommendation to move forward to public hearing.

Zone Change 188 is necessary to rezone three contiguous lots (approximately 40 acres) from O/RA Open Space/Residential Agricultural to M1 Light Industrial for the purpose of creating an industrial zone for medical marijuana. The property lies within the project area of the 1988-2028 City of California City Redevelopment Plan and Project Area Environmental Impact Report (EIR) (SCH #871109128). The property is located one and three quarter miles north of California City Boulevard on the east side of Neuralia Road in a portion of the northwest one-fourth of Section 14, Township 32 South, Range 37 East, Mount Diablo Base & Meridian, APN 229-010-36 (19.55 acres), APN 229-010-37 (9.77 acres), APN 229-010-38 (9.77 acres).

On Friday, August 4, 2017 the Notice of Intent and the Notice of Availability was posted in three public places. The Initial Study, Mitigated Negative Declaration, and Zone Change 188 was made available on the City's website at [www.californiacity-ca.gov](http://www.californiacity-ca.gov). The public hearing notice was published in the local newspaper of general circulation and staff mailed 13 letters to affected property owners, ten (10) days prior to this public hearing.

**RECOMMENDATION:** Conduct the public hearing, take public testimony, and approve the Initial Study, Mitigated Negative Declaration, and Zone Change 188 by Ordinance.

**SOURCE OF FUNDING:** N/A

**ENVIRONMENTAL ACTION:** An Initial Study, Mitigated Negative Declaration, Zone Change 188 was submitted to the State Clearinghouse for a 30-day review period beginning on Friday, August 4, 2017 and concludes at COB on Tuesday, September 5, 2017.

**ORDINANCE NO.**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY  
OF CALIFORNIA CITY ADOPTING ZONE CHANGE NO. 188**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CALIFORNIA CITY as follows:**

**1. Purpose.**

This ordinance adopts Zone Change No. 188, State Clearinghouse (SCH) Number 2017081011.

**2. Findings.**

The council finds, determines and declares:

- (a) A duly-noticed public hearing has been conducted by the Planning Commission and by the City Council to consider the zone change set forth herein.
- (b) This zone change will not result in significant adverse environmental impacts.
- (c) This zone change will promote the welfare of the community.
- (d) This zone change is consistent with the general plan and zoning regulations.
- (e) This project was reviewed and approved by Staff Development Review.
- (f) The Planning Commission approved the proposal by Resolution No. 08-15-2017PC ZC188.

**3. Property Description.**

The property affected by this ordinance (herein "subject property") consists of approximately 40 acres located one and three quarter miles north of California City Boulevard on the east side of Neuralia Road in a portion of the northwest one-fourth of Section 14, Township 32 South, Range 37 East, Mount Diablo Base & Meridian, APN 229-010-36 (19.55 acres), APN 229-010-37 (9.77 acres), APN 229-010-38 (9.77 acres). The property lies within the project area of the 1988-2028 City of California City Redevelopment Plan and Project Area Environmental Impact Report (EIR) (SCH #871109128).

**4. Zoning Amendment**

This Zone Change No. 188 rezones the subject property from Open Space/Residential Agricultural (O/RA) to Light Industrial (M1).

**PASSED, APPROVED AND AOPTED** on September 12, 2017, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

[SEAL]



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# Eastern Kern

## Air Pollution Control District

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Glen E. Stephens, P.E.  
Air Pollution Control Officer

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August 23, 2017

Ms. Ronna Greene, Planning Tech.  
City of California City  
21000 Hacienda Blvd.  
California City, CA 93505

SUBJECT: Comments for Initial Study, Mitigated Negative Declaration, and Zone Change 188  
Located at Lindburgh Boulevard & Nerualia Road, APN 229-010-36, 37, & 38

Dear Ms. Greene:

Eastern Kern Air Pollution Control District (District) has received your Initial Study, Mitigated Negative Declaration, and Zone Change 188 to accommodate medical marijuana facilities located in California City

In accordance with District Rule 402 (Fugitive Dust), construction activity located on a site involving 10 or more contiguous acres of disturbed surface area, earthmoving activity exceeding a daily volume of 10,000 cubic yards, or relocating more than 2,500 cubic yards per day of bulk materials at least 3 days per year requires a Fugitive Dust Emission Control Plan (Dust Plan) be submitted to the District and approved by the Air Pollution Control Officer (APCO) prior to the start of construction. Agricultural operation sites of 10 acres or more are required to submit a Conservation Management Practice Plan (CMP Plan) to the District within 180 days in accordance with District Rule 402.2 (Agricultural Operations).

If solvents are utilized as part of operations, permits will be required for the processes using them in accordance with District Rule 201 (Permits Required) and Rule 210.1 (New and Modified Stationary Source Review). If stationary engines rated at 50-bhp or greater are employed for construction or agricultural operations, they will either need to be permitted or registered with the District.

If you have any questions or concerns, feel free to contact Samuel Johnson of my staff at (661) 862-5250 or [johnsonsam@co.kern.ca.us](mailto:johnsonsam@co.kern.ca.us).

Sincerely,

A handwritten signature in blue ink, appearing to read "Glen E. Stephens".

Glen E. Stephens, P.E.  
Air Pollution Control Officer

GES:SJ:tf

2C188

**Ronna Greene**

---

**From:** William T. Weil  
**Sent:** Wednesday, September 06, 2017 3:17 PM  
**To:** Ronna Greene  
**Cc:** Building2; Tiffany Carter  
**Subject:** FW: MNDs 187 and 188

FYI

**From:** Ray Bransfield [mailto:ray\_bransfield@fws.gov]  
**Sent:** Wednesday, September 06, 2017 9:45 AM  
**To:** William T. Weil <citymgr@californiacity-ca.gov>  
**Subject:** MNDs 187 and 188

Tom,  
I'm glad we finally connected today. I apologize for not being able to get you a full response to the two mitigated negative declarations but I have included the gist of the response here.

For MND 187, I appreciate your efforts to avoid desert tortoises. I just wanted to caution that desert tortoises can move around; in the event it decides to be somewhere else in the future, I suggest that the City tweak a couple of the avoidance measures in the MND.

Second bullet: This measure calls for obtaining "appropriate permits ... to relocate the animal." Applying for an incidental take permit to relocate desert tortoises, pursuant to section 10(a)(1)(B) of the Endangered Species Act, could be a lengthy process. Additionally, the applicant should be aware that obtaining an incidental take permit is not a ministerial process; that is, the Service can only issue an incidental take permit if the applicant meets the issuance criteria required by the section 10(a)(1)(B) regulations. (See 50 Code of Federal Regulations 17.22(b)(2)(i) and 17.32(b)(2)(i).) Therefore, early communication and coordination among the Service, City, and applicant would be very important to address issues related to the desert tortoise.

Third bullet: This measure states that "Construction activities that take place during periods of desert tortoise inactivity or in areas not deemed suitable habitat will not be required to have biological monitors present." We caution that desert tortoises may be active at any time of the year when conditions are appropriate; additionally, they may be attracted to construction sites if workers are spraying water to control dust. For this reason, we recommend that the City change this measure to the following:

A qualified biological monitor will be present during construction activities at least until pre-construction surveys have demonstrated that desert tortoises are not present within the project area and a fence to exclude their entry into the site has been constructed.

We appreciate inclusion of the City's last measure that addresses containing trash that would attract common ravens (*Corvus corax*). Regardless of these measures, future development and operation at this site would likely provide some subsidies to common ravens in the form of shelter and perching sites. At some point, I would like to visit with you and your staff to discuss the management program for common ravens that the U.S. Fish and Wildlife Service is implementing in the California desert.

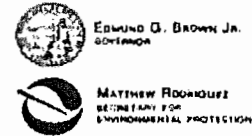
I also appreciate the measure in the MND to avoid impacts to migratory birds. Because some migratory birds may breed outside of the specific time frame mentioned in the measure and birds will construct nests and lay eggs in less than a week, I offer the following suggestion:

If possible, removal of vegetation should occur outside the breeding season for migratory birds; breeding generally lasts from February to July but may extend beyond this time frame. If vegetation removal will occur during or close to the nesting season, a qualified biologist will survey all areas to be disturbed as close as possible but no more than one week prior to removal. If active bird nests are found, the applicants will avoid impacts to nests by either delaying work or establishing buffer areas of a minimum of 500 feet around nests.

I suspect that the area covered by MND 188 is less likely to support desert tortoises but suggest that the MND include at least a cautionary note. I also suggest that it include the same language for migratory birds.

Thanks for taking the time to talk today. If you have any questions, please contact me at (805) 677-3398 or [ray\\_bransfield@fws.gov](mailto:ray_bransfield@fws.gov).

Ray



## **Lahontan Regional Water Quality Control Board**

August 29, 2017

File: Environmental Doc Review  
Kern County

William T. Weil, Jr., City Manager  
City of California City  
21000 Hacienda Blvd.  
California City, CA 93505  
citymgr@californiacity.gov

### **Comments on the Initial Study and Mitigated Negative Declaration for Cannabis Cultivation and Manufacturing, Zone Change 188, City of California City, Kern County, State Clearinghouse Number 2017081011**

The California Regional Water Quality Control Board, Lahontan Region (Water Board) staff received an Initial Study and Mitigated Negative Declaration (IS/MND) for the above-referenced Zone Change (Project) on August 7, 2017. The IS/MND was prepared by the City of California City Planning Department (City) and submitted in compliance with provisions of the California Environmental Quality Act (CEQA). The proposed Project will allow for future cannabis cultivation and manufacturing within an area that is being rezoned to Light Industrial (LI).

Water Board staff, acting as a responsible agency, is providing these comments to specify the scope and content of the environmental information germane to our statutory responsibilities pursuant to CEQA Guidelines, California Code of Regulations (CCR), title 14, section 15096. We recommend that the General Plan IS/MND be revised to consider (1) the quality and quantity of industrial wastewater that may be generated by indoor cannabis cultivation, (2) the potential impacts that treatment and disposal of this wastewater may have on water quality, and (3) the ability for existing sanitary sewer wastewater treatment facilities to treat and dispose of this waste. We also encourage the City to take this opportunity to integrate elements into the General Plan that (1) promote watershed management, (2) support low impact development (LID), (3) reduce the effects of hydromodification, and (4) encourage recycled water uses. Our comments are outlined below.

### **WATER BOARD'S AUTHORITY**

All groundwater and surface waters are considered waters of the State. All waters of the State are protected under California law. State law assigns responsibility for protection of water quality in the Lahontan Region to the Lahontan Water Board. Some waters of the State are also waters of the United States. The Federal Clean Water Act

PETER C. PUMPHREY, CHAIR | PATTY Z. KOUYUMDJIAN, EXECUTIVE OFFICER

2501 Lake Tahoe Blvd., So. Lake Tahoe, CA 96150 | 15095 Amargosa Road, Bldg 2, Ste 210, Victorville CA 92394  
e-mail: Lahontan@waterboards.ca.gov | website: www.waterboards.ca.gov/ahontan

(CWA) provides additional protection for those waters of the State that are also waters of the United States.

The *Water Quality Control Plan for the Lahontan Region* (Basin Plan) contains policies that the Water Board uses with other laws and regulations to protect the quality of waters of the State within the Lahontan Region. The Basin Plan sets forth water quality standards for surface water and groundwater of the Region, which include designated beneficial uses as well as narrative and numerical objectives which must be maintained or attained to protect those uses. The Basin Plan can be accessed via the Water Board's web site at

[http://www.waterboards.ca.gov/lahontan/water\\_issues/programs/basin\\_plan/references.shtml](http://www.waterboards.ca.gov/lahontan/water_issues/programs/basin_plan/references.shtml).

## **SPECIFIC COMMENTS**

We recommend the following be included as part of the proposed Project and considered in the environmental review.

1. **Industrial Wastewater** – The Project IS/MND states that there are no sewer connections currently for wastewater treatment. It should be noted that the industrial wastewater from cultivation, both indoor and outdoor, regardless of the agricultural product, present several water quality concerns that need to be evaluated. Fertilizer, pesticide, herbicide, and rodenticide will all likely be used in the growing operation. Petroleum products, biodiesel, and other potentially hazardous chemicals may be used in facility maintenance and equipment operations. Runoff from irrigation and water used in cleaning has the potential to concentrate all of these chemicals into industrial wastewater. The quality and quantity of industrial wastewater generated by these types of facilities will need to be evaluated and the process for how the industrial wastewater may be collected, treated, and ultimately disposed of will need to be thoroughly analyzed in the environmental review. Please revise appropriate sections of the IS/MND to address the potential water quality concerns associated with the quality and quantity of industrial wastewater that may be generated by cannabis cultivation facilities, and to describe the specific mitigation measures that may be imposed upon by individual projects to reduce potential impacts to a less than significant level. Some things to consider are outlined below. Early consultation with Water Board staff is recommended to determine the permitting that may be required for individual projects.
  - a. Individual projects should be required to characterization of the types of chemicals and their potential concentrations in the industrial waste stream that will be generated at each site. This information is necessary in order to determine whether the waste would be considered hazardous or designated and will be used to determine the appropriate level of waste handling and disposal procedures.



- b. The industrial wastewater for indoor facilities may be collected in floor drains and discharged directly to the sanitary sewer system. This could pose a significant threat to water quality during treatment at the wastewater treatment facility. Issues to be considered include the characterization of the waste stream (see "1.a" above) and the ability for the receiving wastewater treatment facility to treat those constituents to a level that would not violate any waste discharge requirement imposed upon that facility.
- c. The industrial wastewater may be collected and discharged to an onsite percolation pond. Issues to be considered include the characterization of the waste stream (see "1.a" above) and the ability for the onsite soils to treat those constituents to a level that would not exceed any applicable water quality standard for groundwater or surface water. A monitoring network may be necessary to monitor the vadose zone and/or groundwater beneath the pond to verify that treatment is occurring.
- d. Depending on the characterization of the waste stream, it may be necessary to collect the industrial wastewater and discharge it to a lined evaporation pond onsite. In this instance, the pond would likely need to be designed to contain a specific type of waste and a monitoring network installed to monitor the vadose zone and groundwater beneath the pond.

2. **Water Quality Concerns** – The Water Board's primary water quality concerns associated with cannabis are those activities mainly related to the development and commercial-scale cultivation, and to the potential for direct and indirect impacts to surface water and groundwater resources. The environmental review for all cannabis cultivation/development projects should evaluate the following activities, at minimum, with respect to all potential direct and indirect impacts to water quality and hydrology. The following list of activities is not all-inclusive and other activities should be evaluated based on project specifics and proposed alternatives.

- a. All activities within and adjacent to surface waters. All surface waters are waters of the State. Surface waters include, but are not limited to, drainages, streams, washes, ponds, pools, or wetlands, and may be permanent or intermittent, either natural or manmade, and may or may not be identified as "blueline streams" on published topographic maps.
- b. Loss of instream flows as a result of development and the diversion of springs and other surface waters for cultivation purposes.
- c. Discharges of waste including waste handling and disposal. "Waste" is defined in the Basin Plan to include any waste or deleterious material including, but not limited to, waste earthen materials (such as soil, silt, sand, clay, rock, or other organic or mineral material), household refuse,



human waste, domestic wastewater, and any other waste as defined in the California Water Code, section 13050(d).

- d. Chemical/pollutant discharges resulting from the use and/or storage of fertilizer, pesticide/herbicide/rodenticide, petroleum products, biodiesel and other potentially hazardous chemicals.
  - e. Irrigation runoff from cultivation and other similar growing operations particularly where runoff has the potential to discharge to a surface water, percolate through the ground, and/or enter a sanitary sewer system or municipal storm water system.
  - f. Siting of development in groundwater recharge areas.
3. **Beneficial Uses of Water** – The Project is located within the Koehn Hydrologic Area (Hydrologic Unit No. 625.40) of the Fremont Hydrologic Unit and overlies the Fremont Valley groundwater basin (Basin No. 6-46). The beneficial uses of these waters are listed either by watershed (for surface waters) and by groundwater basin (for groundwater) in Chapter 2 of the Basin Plan. The environmental review for future cannabis cultivation/development projects should identify and list the beneficial uses of all water resources within the project area and include an analysis of the potential impacts to water quality and hydrology with respect to those beneficial uses.
4. **Water Quality Objectives** – Water quality objectives and standards, both numerical and narrative, for all waters of the State within the Lahontan Region, including surface waters and groundwater, are outlined in Chapter 3 of the Basin Plan. Water quality objectives and standards are intended to protect the public health and welfare, and to maintain or enhance water quality in relation to the existing and/or potential beneficial uses of the water. It is these objectives and standards that should be used when evaluating thresholds of significance for project-level impacts.
5. **Low Impact Development Strategies** – The foremost method of reducing impacts to watersheds from development is LID, the goals of which are maintaining a landscape functionally equivalent to predevelopment hydrologic conditions and minimal generation of non-point source pollutants. LID results in less surface runoff and potentially less impacts to receiving waters, the principles of which include: maintaining natural drainage paths and landscape features to slow and filter runoff and maximize groundwater recharge; reducing compacted and impervious cover created by development and the associated road network; and managing runoff as close to the source as possible.

LID development practices that maintain aquatic values also reduce local infrastructure requirements and maintenance costs and benefit air quality, open space, and habitat. Vegetated areas for storm water management and infiltration onsite are valuable in LID. We encourage the City to establish LID

implementation strategies for cannabis cultivation/development and incorporate these strategies into the General Plan amendment.

6. **Storm Water Management** – Because increased runoff from developed areas is a key variable driving a number of other adverse effects, attention to maintaining the pre-development hydrograph will prevent or minimize many problems and will limit the need for other analyses and mitigation. However, traditional methods for managing storm water do not adequately protect the environment and tend to treat symptoms instead of causes. Such practices have led to channelization and stream armoring that permanently alter stream habitat, hydrology, and aesthetics, resulting in overall degradation of a watershed.

Storm water control measures that are compatible with LID are preferred over more traditional methods. Examples include the use of bioretention swales, pervious pavement, and vegetated infiltration basins, all of which can effectively treat post-construction storm water runoff, help sustain watershed processes, protect receiving waters, and maintain healthy watersheds. Any particular one of these control measures may not be suitable, effective, or even feasible on every site, but the right combination, in the right places, can successfully achieve these goals.

We encourage the City to establish guidelines for implementing specific storm water control measures as part of the proposed General Plan amendment. Additional information regarding sustainable storm water management can be accessed online at [http://www.waterboards.ca.gov/water\\_issues/programs/low\\_impact\\_development](http://www.waterboards.ca.gov/water_issues/programs/low_impact_development).

7. **Hydromodification** – Hydromodification is the alteration of the natural flow of water through a landscape (i.e. lining channels, flow diversions, culvert installations, armoring, etc.). Disturbing and compacting soils, changing or removing the vegetation cover, increasing impervious surfaces, and altering drainage patterns limit the natural hydrologic cycle processes of absorption, infiltration, and evapotranspiration, and increases the volume and frequency of runoff and sediment transport. Hydromodification typically results in stream channel instability, water quality degradation, changes in groundwater recharge processes, impacts to aquatic habitats, and disconnecting of a stream channel from its floodplain. Floodplain areas provide natural recharge, attenuate flood flows, provide habitat, and filter pollutants from storm water runoff. Floodplain areas also store and release sediment, one of the essential processes to maintain the health of the watershed. Information regarding hydromodification can be accessed online at [http://www.waterboards.ca.gov/water\\_issues/programs/stormwater/hydromodification.shtml](http://www.waterboards.ca.gov/water_issues/programs/stormwater/hydromodification.shtml).

We encourage the City to establish guidelines and develop mitigation measures that will help to avoid hydromodification from individual projects implemented under the proposed General Plan amendment. The guidelines should include

maintaining natural drainage paths of streams and creeks and establishing buffers and setback requirements to protect channels, wetlands, and floodplain areas from encroaching development.

8. **Cumulative Impact Analysis** – The cumulative impacts of individual projects implemented pursuant to the proposed General Plan amendment must be evaluated in the IS/MND to the extent feasible. The analysis should consider the cumulative effect of all existing and potential development and cultivation sites within the watershed and evaluate, at minimum, the potential impacts to groundwater recharge due to increased impervious surface and compacted soils, changes in the hydrology of the watershed and potential flooding implications, and habitat connectivity. The cumulative impacts analysis should identify both regional and project-specific mitigation measures that, when implemented, will reduce potential impacts to a less than significant level.

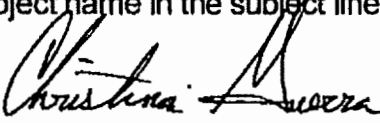
## **PERMITTING REQUIREMENTS FOR INDIVIDUAL PROJECTS**

A number of activities implemented by individual projects in accordance with the General Plan amendment have the potential to impact waters of the State and, therefore, may require permits issued by either the State Water Resources Control Board (State Water Board) or Lahontan Water Board. The required permits may include the following.

9. Land disturbance of more than 1 acre may require a CWA, section 402(p) storm water permit, including a *National Pollutant Discharge Elimination System (NPDES) General Construction Storm Water Permit*, Water Quality Order (WQO) 2009-0009-DWQ, obtained from the State Water Board, or individual storm water permit obtained from the Lahontan Water Board.
10. Depending on the Standard Industrial Classification (SIC) code for industrial-type activities at a specific site, individual projects may require an *NPDES General Industrial Storm Water Permit*, WQO-2014-0057-DWQ, obtained from the State Water Board, or individual Storm Water Permit obtained from the Lahontan Water Board.
11. Discharge of waste to land (i.e. evaporation ponds) may require WDRs issued by the Lahontan Water Board in compliance with the CCR, title 27, section 20005 et seq. If the Project includes wastes that can be characterized as either designated and/or non-hazardous, and a planned discharge to land would occur, the discharger will be required to submit the Report of Waste Discharge application, Form 200, to the Water Board.

We request that the IS/MND recognize the potential permits that may be required for the project, as outlined above, and identify the specific activities that may trigger these permitting actions in the appropriate sections of the environmental document. Information regarding these permits, including application forms, can be downloaded from our web site at <http://www.waterboards.ca.gov/lahontan/>. Early consultation with Water Board staff regarding potential permitting is recommended.

Thank you for the opportunity to comment on the IS/MND. If you have any questions regarding this letter, please contact me at (760) 241-7305 [tiffany.steinert@waterboards.ca.gov](mailto:tiffany.steinert@waterboards.ca.gov) or Jan Zimmerman, Senior Engineering Geologist, at (760) 241-7404 [jan.zimmerman@waterboards.ca.gov](mailto:jan.zimmerman@waterboards.ca.gov). Please send all future correspondence regarding this Project to the Water Board's email address at [Lahontan@waterboards.ca.gov](mailto:Lahontan@waterboards.ca.gov) and be sure to include the State Clearinghouse No. and Project name in the subject line.

  
For Tiffany Steinert  
Engineering Geologist

cc: State Clearinghouse (SCH 2017081011) ([state.clearinghouse@opr.ca.gov](mailto:state.clearinghouse@opr.ca.gov))  
California Department of Fish and Wildlife ([reg4assistant@wildlife.ca.gov](mailto:reg4assistant@wildlife.ca.gov))

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# CITY COUNCIL

September 12<sup>th</sup>, 2017

**TO: Successor Agency**

**FROM: Tom Weil, City Manager**

**SUBJECT: 1<sup>st</sup> Amendment to Purchase and Sale Agreement APN 216-010-02-00**

**BACKGROUND:** Canna Pharmaceuticals, Inc. had previously been approved on June 13<sup>th</sup>, 2017 to purchase from the Successor Agency 29.7 acres (APN 216-010-02-00) for the appraised price of \$585,000.00 dollars. They have been delayed with moving forward with opening escrow due to the Escrow company's hesitation in dealing with Title Insurance that is federally assured on a property associated with Medical Cannabis. The Amendment to the Purchase and Sale Agreement allows a direct payment to the Successor Agency of the \$585,000 dollars in exchange for the signing over of the Grant Deed for the property. A \$15,000 dollar nonrefundable deposit by the buyer will be provided to the Successor Agency upon approval of the amendment to allow the 90 day due diligence to begin with actual close of the Purchase and Sale Agreement to be completed no later than December 12<sup>th</sup>, 2017. Transfer of the Grant Deed will only take place after verification of funds for the purchase (Cashier's Check) has been secured.

Canna Pharmaceuticals still has a 24 month time limit to obtain a certificate of occupancy for at least one 50,000sq ft. building that meets the ordinance guidelines for Medical Cannabis. The reversion clause to the Successor Agency for failure to complete within the timeframe was not changed.

**RECOMMENDATION:** Successor Agency review the pending sale and approve the 1<sup>st</sup> Amendment to the Purchase and Sale Agreement as presented and authorize the City Manager to sign all documentation related to the transaction.

**FISCAL IMPACT:** \$585,000 revenue to pay down existing Successor Agency debt.

**ENVIRONMENTAL ACTION:** No Direct

SACRI

**AMENDMENT NO. 1**  
**TO**  
**REAL PROPERTY PURCHASE AND SALE AGREEMENT**

THIS AMENDMENT NO. 1 to the Real Property Purchase and Sale Agreement ("Amendment") is entered effective on the date fully executed by and between the Successor Agency of the Former Redevelopment Agency of the City of California City, a separate public entity ("Successor Agency" or "SELLER") and Canna Pharmaceuticals, Inc., a California corporation organized under the laws of the State of California ("BUYER").

**RECITALS**

A. SELLER and BUYER entered into that certain Real Property Purchase and Sale Agreement on or about June 13<sup>th</sup>, 2017 ("Agreement").

B. BUYER has been unable to open an escrow or procure title insurance as required by the Agreement.

C. BUYER was frustrated in its attempts to deposit monies to escrow as required by the Agreement.

D. BUYER has conducted and completed a title report and is satisfied that the Property is not incumbered by a third party.

E. Notwithstanding the foregoing, SELLER and BUYER desire to proceed with the purchase and sale of the Property without opening an escrow, making deposits, or procuring title insurance prior to the transfer of the Grant Deed.

F. SELLER desires to convey fee title interest in and to the Property to BUYER in a manner consistent with the Dissolution Law requiring, inter alia, the disposition of its former property.

G. BUYER desires to purchase the Property from SELLER and SELLER desires to sell the Property on the terms and conditions contained in the Agreement as amended by this Amendment.

H. SELLER and BUYER desire to amend the Agreement so as to remove their present respective obligations related to escrow, deposits, and title insurance and to, otherwise, set forth the manner in which the transaction shall be completed.

**AMENDMENT**

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and all the recitals that are incorporated herein by this reference, the Parties hereby agree to amend the Agreement as follows:

**SECTION 1.** Section 2 *et seq.*, entitled "Opening of Escrow and Deposit" shall be removed in its entirety and replaced with the following:

"2. DEPOSIT. Upon signing of this Amendment BUYER shall forward to SELLER a non-refundable deposit ("Deposit") in the amount of fifteen thousand dollars

(\$15,000.00). Upon Closing of Sale said Deposit shall be applied towards the total Purchase Price.

**SECTION 2.** Subsection B of Section 3 entitled "Return of Deposit During Due Diligence Period" shall be removed in its entirety and replaced with the following:

"B. [Removed]."

**SECTION 3.** Section 12 *et seq.* entitled "Closing and Escrow Instructions" shall be removed in its entirety and replaced with the following:

**"12. CLOSING OF SALE**

A. The "Closing of Sale" is the date upon which the BUYER firsts hands over to SELLER a cashier's check for the total Purchase Price in exchange for the SELLER, thereafter, handing over to BUYER the Grant Deed, which the SELLER shall subsequently record in the Office of the Kern County Recorder to consummate the transfer of the Property.

B. Each and every time the term "Close of Escrow" or "Closing" appears in this Agreement, it shall be interpreted to mean "Closing of Sale".

C. The Closing of Sale shall take place on December 12, 2017, at the City Hall of California City, located at 21000 Hacienda Boulevard, California City, CA 93505. The Closing date specified herein may be changed by mutual agreement of the Parties.

D. Before SELLER must hand over the Grant Deed to the BUYER, SELLER shall have the right and opportunity to confirm the validity of the cashier's check and the immediate availability of funds at the Closing of Sale.

E. If Closing of Sale does not occur by the date specified at Section 12(C), then either Party not then in default may elect to terminate the Agreement by giving written notice of such termination to the other Party. The termination of this Agreement shall be without prejudice to whatever legal rights that the BUYER and SELLER may have against each other arising out of the Agreement; which rights shall survive the termination of this Agreement.

**F. Conditions of Closing**

(1) **BUYER'S Conditions.** In addition to all other conditions to the completion of the transaction described in this Agreement, SELLER and BUYER agree that the Closing of the sale and purchase contemplated by this Agreement is subject to satisfaction, approval or waiver by BUYER of the matters specified below in this Section 6.E.(1), which conditions are solely for the benefit of the BUYER and can be unilaterally waived by BUYER:

- i. There shall have been no material adverse change in the physical condition of the Property from the Effective Date through the Closing Date; and
- ii. SELLER shall not be in material default of SELLER's obligations under this Agreement, and all of SELLER's express representations and warranties set forth in this Agreement shall continue to be true, correct, and unchanged in all material respects as of the Closing.

- (2) **SELLER's Conditions.** In addition to all other conditions to the completion of the transaction described in this Agreement, SELLER and BUYER agree that the Closing of the sale and purchase contemplated by this Agreement is subject to satisfaction, approval or waiver by SELLER of the matters specified below in this Section, which conditions are solely for the benefit of SELLER and can be unilaterally waived by SELLER:
- i. BUYER shall not be in material default of BUYER's obligations under this Agreement, and all of BUYER's express representations and warranties set forth in this Agreement shall continue to be true, correct, and unchanged in all material respects as of the Closing.
  - ii. BUYER shall (1) identify and engage those third parties necessary to obtain the entitlements required to begin development of the property, including an architect, civil engineer and general contractor; (2) acquire any and all financing, if any; and (3) develop a realistic schedule for applying for the building permits necessary to start the actual construction of the project.

G. Title. At Closing, title to the Property shall be conveyed to BUYER subject to only the following exceptions (collectively, "Permitted Exceptions"): (i) non-delinquent real property taxes and assessments (if any), (ii) the standard pre-printed exceptions and exclusions contained in an ALTA Standard coverage owner's policy of title insurance, and (iii) liens and encumbrances resulting from the acts of BUYER or any of BUYER's representatives.

(1) Title Insurance. At the request of the BUYER, the Parties agree that the BUYER need not procure a title insurance policy prior to Closing of Sale, but rather BUYER or its assignees shall procure or cause to be procured a title insurance policy for the Property at BUYER's sole cost and expense; which shall contain a provision waiving subrogation against the SELLER and the City. BUYER, hereby, agrees that the SELLER shall have no obligation to pay or discharge, or caused to be removed, whether or not specifically objected to by BUYER, all monetary liens or encumbrances affecting the Property.

H. Delivery of Documents and Funds. At the Close of Sale, SELLER and BUYER shall exchange documents as follows:

- (1) BUYER shall deliver to SELLER:
  - i. A Cashier's Check made payable to the SELLER for the total Purchase Price of \$585,000 less the \$15,000 non-refundable Deposit;
  - ii. A completed copy of the Non-Foreign Status Certificate, and Form 593-C;
  - iii. A copy of all other documents called for by the City and/or SELLER; and



(2) SELLER shall deliver to BUYER

- i. A copy of the Grant Deed signed by SELLER, which shall be recorded in the Official Records by the SELLER;
- ii. A completed copy of the Non-Foreign Status Certificate, and Form 593-C;
- iii. The original Title Policy (if not previously provided to BUYER)."

**SECTION 4.** Except as specifically modified herein, all of the terms, conditions, and provisions of the Agreement shall remain in full force and effect.

**SECTION 5.** The Agreement, all amendments together with this Amendment No. 1 and all Exhibits attached thereto, if any, constitutes the entire Agreement between the Parties and supersedes all prior negotiations, arrangements, representations, and understandings, if any, made by or between the Parties with respect to the subject matter hereof. No amendment or other modification of the Agreement, as modified by this Amendment No. 1 shall be binding unless executed in writing by both Parties hereto, or their respective successors, assigns, or grantees.

**SECTION 6.** Each of the undersigned represents and warrants that he or she is duly authorized to execute and deliver this Amendment No. 1 and that such execution is binding upon the entity for which he or she is executing this document.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as follows:

SELLER:

Successor Agency of the Former  
Redevelopment Agency of the City of  
California City

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

Name: \_\_\_\_\_  
City Clerk

BUYER:

Canna Pharmaceuticals, Inc

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

Name: \_\_\_\_\_  
City Clerk

**City Council**

**Meeting Date: September 12th, 2017**

**TO: Mayor and Council**

**FROM: City Manager**

**Subject: EDC FY17/18 Budget**

**Background:** The California City EDC has completed its budget projections for the FY17/18 year based on the \$15,000 dollars funding that has been recently allocated by the City Council in the City's FY17/18 budget adopted June 27th, 2017. They are requesting your review and approval in order for funding to be disbursed.

**Recommendation:**

Council review and approve the EDC Budget as requested.

**Fiscal Impact:** \$15,000 Line Item 10-4151-631

*The Finance Director has reviewed the staff report and finds the recommendations to be within the budget constraints of the Department*

**Environmental Impact:** None



8100 California City Blvd., California City, CA 93505 – [info@californiacityedc.com](mailto:info@californiacityedc.com)

September 7, 2017

Ms. Jennifer Wood, Mayor  
California City, City Council &  
California City Staff  
California City, CA 93505

Dear Mayor Wood, et. al.:

With this letter we respectfully submit our request for funding of \$15,000 for the 2017-2018 EDC budget. Attached you will find our budget proposal/breakdown as well as our 2016-2017 Profit & Loss statement for your perusal.

As we explained in our budget proposal, we, at the EDC, are looking forward to assisting and working with the City in any way we can, not only to help introduce new businesses to our city but also to target ancillary businesses that will complement the various MMJ projects.

We have some very exciting projects that we are currently working on:

- Help establish an Aviation School in our High school, program co-sponsored by Norm Hill Aviation and Cal-City EDC
- Because of the major changes that our city will be going through, we are prepared to create at least two sets of California City brochures for distribution, inviting people to consider California City when thinking of relocating or expanding.
- Concurrently, we need to update our EDC webpage to reflect major changes that the City will be experiencing.
- At some point we will need to create another video on behalf of the city to help promote our MMB projects.
- Continue to promote and seek interested parties to establish an accredited Clinic and Medical access services.

As you can see, all these are very exciting projects that we feel we must continue to promote and undertake.

With that in mind, we respectfully request the City for information regarding:

- Job numbers, current and expected
- Average salaries, current and expected
- Tax infrastructure
- Housing starts
- Commercial starts
- One to five-year plans

All this information will greatly assist us to creating our brochure for the City.

Thank you for your time and consideration, I remain,

Sincerely,

Lou Peralta  
EDC President

CC. Norm Hill, EDC Vice President  
Karen Macedonio, EDC Secretary/Treasurer Pro-Tem



One Year Executive Budget Summary 2017/18  
for  
California City Economic Development Corp. (CCEDC)

August 10, 2017

From the desk of the President:

We are delighted to present our fiscal year 2017/18 budget to the City of California City.

**Brochures & Media Kits** = \$1,200 The funds requested will be used to create brochures and media information kits as to the development of our city and its excellent selling point to bring business and resident to our area.

**CCEDC Web Site** = \$1,800 The web site was initially constructed and went live, all at the cost and time paid for by our former EDC President Mr. Norm Hill. Therefore we didn't pay for it...that said, we updated the site and now require a firm to maintain it and keep it up to date. Moreover, this includes the changes related to City and Successor properties.

**Insurance** = \$1,500, Paid and up to date until October 2017

**Computers/Software** = \$1,000.00. We need to update various programs already purchased and also acquire certain applications to help with the day-to-day operation of the EDC.

**General Building Operations** = \$2,500, This is basically to keep doors open and people working inside comfortable. It should also be noted that we have come to a current agreement with the Chamber of Commerce to share utilities and the building.

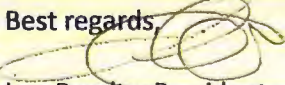
**Meeting Fees, Seminars and Training** = \$2,000, Like any organization or business entity, it is essential to stay informed and up to date in your area of business, therefore we see it necessary to incorporate a cost to attend and participate in as many local and regional events as possible to understand the development climate and keep abreast of trends and what seems to be working that is essential to growth.

**Office Supplies/Postage** = \$2,000. No detailed explanation required, except an increase in mail postage to get the word out and send routine information locally to show we are doing our business.

**Advertising** = \$3,000, With the advent of the MMJ business in California City, we will need to sell the concept but also promote the City of California City as a "brand" for business ventures and future development. We also need to recruit more active members to help with the EDC vision.

**The total CCEDC Year budget presented to the Council and City is \$15,000.00**

Best regards,

  
Lou Peralta, President

CC. Norm Hill, Vice President

Karen Macedonio, Sec./Treasurer



**CCEDC YEAR FUNDING REQUEST**  
**June 2017 to June 2018**

Budget Item	1 Year Requested	Total	Remarks
Current Brochures & Media Kits	\$1,200.00	\$1,200.00	Brochures, flyers & Promotional Materials
Computer & Software	\$1,800.00	\$1,800.00	Update programs and new Applications
Advertising	\$3,000.00	\$3,000.00	Cal City Promotions to relocate
Insurance	\$1,500.00	\$1,500.00	Normal rate including cost of living increases
General Business OPS	\$2,500.00	\$2,500.00	Covers all utility and services to the EDC
Travel/Conferences & Training	\$2,000.00	\$2,000.00	Meeting, forums, symposiums
Web page maintenance	\$1,000.00	\$1,000.00	Maintenance & Upgrades
Office Supplies & furnishings	\$2,000.00	\$2,000.00	Ink, paper, printing, equipment
<b>TOTAL</b>	<b>\$15,000.00</b>	<b>\$15,000.00</b>	

**####**

\*Please see attached itemized detail for funding request. LP

7:32 AM

09/07/17

Cash Basis

**California City EDC**  
**Profit & Loss**  
June 2016 through June 2017

	Jun '16 - Jun 17
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Donation	44,139.24
4090 · Membership Dues	3,400.00
4150 · Miscellaneous Income	
Chamber Utility Payments	250.00
<b>Total 4150 · Miscellaneous Income</b>	<b>250.00</b>
<b>Total Income</b>	<b>47,789.24</b>
<b>Expense</b>	
Advertising	2,928.22
Contract Services	2,564.00
filing fees California	0.00
General Building Operations	
CC-Water	1,237.96
Janitorial services	735.00
Natural Gas	627.46
Phone/internet services	2,446.60
SCE Electric	974.49
Trash-Waste Mgt	335.10
General Building Operations - Other	100.00
<b>Total General Building Operations</b>	<b>6,456.61</b>
IRS associated fees etc.	1,925.83
New Media Kits	7,383.80
Petty Cash	100.00
Professional Services	350.00
Refund	0.00
Tax Preparation Costs	1,000.00
Travel	
Conference & Meeting Fees	740.00
General Travel Expenses	135.00
Hotel expense	909.11
Mileage Costs	921.42
Training/Tuitions Fees	135.00
<b>Total Travel</b>	<b>2,840.53</b>
Web-Page Development	0.00
6180 · Insurance	
6185 · Liability Insurance	886.00
<b>Total 6180 · Insurance</b>	<b>886.00</b>
6240 · Miscellaneous	-101.22
<b>Total Expense</b>	<b>26,333.77</b>
<b>Net Ordinary Income</b>	<b>21,455.47</b>
<b>Net Income</b>	<b>21,455.47</b>

7:32 AM

09/07/17

Cash Basis

**California City EDC**  
**Profit & Loss**  
**June 30, 2016 through June 30, 2017**

	web services	Total Service	No item	TOTAL
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
Donation	0.00	0.00	29,139.24	29,139.24
4090 · Membership Dues	0.00	0.00	3,400.00	3,400.00
<b>Total Income</b>	0.00	0.00	32,539.24	32,539.24
<b>Expense</b>				
Advertising	965.67	965.67	1,962.55	2,928.22
Contract Services	0.00	0.00	2,564.00	2,564.00
filing fees California	0.00	0.00	0.00	0.00
General Building Operations				
CC-Water	0.00	0.00	1,077.09	1,077.09
Janitorial services	0.00	0.00	660.00	660.00
Natural Gas	0.00	0.00	608.87	608.87
Phone/internet services	0.00	0.00	2,301.66	2,301.66
SCE Electric	0.00	0.00	915.05	915.05
Trash-Waste Mgt	0.00	0.00	301.59	301.59
General Building Operations - Other	0.00	0.00	100.00	100.00
<b>Total General Building Operations</b>	0.00	0.00	5,964.26	5,964.26
IRS associated fees etc.	0.00	0.00	1,925.83	1,925.83
New Media Kits	0.00	0.00	7,383.80	7,383.80
Petty Cash	0.00	0.00	100.00	100.00
Professional Services	0.00	0.00	350.00	350.00
Refund	0.00	0.00	0.00	0.00
Tax Preparation Costs	0.00	0.00	1,000.00	1,000.00
Travel				
Conference & Meeting Fees	0.00	0.00	740.00	740.00
General Travel Expenses	0.00	0.00	135.00	135.00
Hotel expense	0.00	0.00	909.11	909.11
Mileage Costs	0.00	0.00	819.48	819.48
<b>Total Travel</b>	0.00	0.00	2,603.59	2,603.59
Web-Page Development	0.00	0.00	0.00	0.00
6180 · Insurance				
6185 · Liability Insurance	0.00	0.00	886.00	886.00
<b>Total 6180 · Insurance</b>	0.00	0.00	886.00	886.00
6240 · Miscellaneous	0.00	0.00	-101.22	-101.22
<b>Total Expense</b>	965.67	965.67	24,638.81	25,604.48
<b>Net Ordinary Income</b>	-965.67	-965.67	7,900.43	6,934.76
<b>Net Income</b>	-965.67	-965.67	7,900.43	6,934.76



# CITY COUNCIL

September 12, 2017

**TO:** Mayor and City Council

**FROM:** Jeanie O'Laughlin, Finance Director

**SUBJECT:** MMB Permit Fees and Department

**BACKGROUND:** Now that we have issued our first rounds of conditional permits, the next step is for us to establish the annual permit fee. This fee can be adjusted annually; if we determine our needs have changed. The permit fee is based on our cost of services and the expected number of permit holders. The process for issuing the annual permit will include the issuing of the conditional permit and the positive results of LiveScans on all the partners. Currently, it seems the expectation for a permit holder to be eligible for a temporary permit through the State of California is the possession of a City permit. At this point we now have several entities that have passed both phases and are willing and anxious to purchase their annual permit. The annual permit will run from July 1-June 30. Permits now issued will be prorated to June 30, 2018.

In discussions with other Cities and a review of websites, it seems that some are choosing to have a centralized department for all MMB related activities: new permits, ordinance issues, inspections, fines, enforcement, audits, issuance of permits, annual permit fees and other related activities. In following these practices, we would like to establish an MMB Department under the City Manager. This department would consist of:

- Director
- Accountant
- Admin. Secretary
- Two (2) Specially trained Code Enforcement Officers

In addition to the salary and benefits, this permit fund would also include expenses necessary to establish new positions as well as the rental of a facility.

**RECOMMENDATION:** Council discuss and approve the establishment of an MMB department with the above mentioned staff and related operating expenses to be funded entirely from the MMB annual permit fees.

**FISCAL IMPACT:** There would be no impact to the City budget as the funding would all come from the MMB permit fees. Worst case scenario is a temporary advance until such time as the permit fees are collected. Any advance would be paid back during the current fiscal year.

**ENVIRONMENTAL ACTION:**

None.

**ATTACHMENTS:** Schedule of Salary, benefits and expenses of new Department.

**2017-18 Salaries and Benefits**

Dept	Emp Name	%	Hrly Rate	Ann Hrs	Annual Salary	Med 132	Caferia 133	CalPers 134	Unemp 135	W Comp 136	Unif 140	Life Ins	Total
	Accountant	100%	36.31	2080	75,525	1,095	12,600	4,934	308	827	0	0	95,288
	Admin Secretary	100%	21.61	2080	44,949	652	11,400	2,937	308	7,888			68,133
	Code Enforcement	100%	23.04	2080	47,923	695	11,400	5,746	308	4,573			70,645
	Code Enforcement	100%	23.04	2080	47,923	695	11,400	5,746	308	4,573			70,645
	Director of MMB	100%	55.05	2080	114,504	1,660	11,400	7,481	308	1,253			136,606
<b><u>SALARY &amp; BENEFIT TOTALS</u></b>					<b><u>330,824</u></b>	<b><u>4,797</u></b>	<b><u>58,200</u></b>	<b><u>26,843</u></b>	<b><u>1,540</u></b>	<b><u>19,114</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>441,318</u></b>
	Uniforms	2.00	600.00										1,200
	MMB Conference	5.00	2,500.00										12,500
	Computers& phones	5.00	3,000.00										15,000
	Vehicles	3.00	45,000.00										135,000
	Office Equip & Furn.												65,000
	Facility Rental	12.00	2500.00										30,000
	Utilities	12.00	2500.00										30,000
	Consultants												100,000
	Legal expenses												100,000
	Training	5.00	5000.00										25,000
	Miscellaneous												45,000
<b><u>GRAND TOTALS</u></b>													<b><u>1,000,018</u></b>

## **City Council**

**Meeting Date: September 12<sup>th</sup>, 2017**

**TO: Mayor and Council**

**FROM: City Manager**

**Subject: Resolution Supporting Natural Gas Expansion**

**Background:** California City has been recommended as one of five pilot projects to be presented to the California Public Utilities Commission for expansion of natural gas service. This stems from a CPUC directive that originally targeted disadvantaged communities in the San Joaquin Valley but later expanded to the counties which includes Kern County. Below is the notice for those that would like to comment to the CPUC on this opportunity with points of contact.

### **CPUC Rulemaking on Increasing Access to Affordable Energy**

The California Public Utilities Commission (CPUC) currently has an open proceeding that seeks to increase access to affordable energy for disadvantaged communities in the San Joaquin Valley, particularly in light of the absence of natural gas service in certain areas.

The CPUC is encouraging interested parties to share their views on the proceeding and their energy preferences. Parties have begun doing so in a series of community meetings hosted by the CPUC. During these meetings, stakeholders have noted, among other things, the benefits of extending natural gas service to local residents, including:

#### Social Justice Benefits

- Affordable natural gas will significantly decrease the current energy burden on disadvantaged communities (lowers percentage of income spent on energy).
  - Natural gas is a more affordable energy solution than grid-sourced electricity, and is more efficient as well for water and space heating.
  - Natural gas pipelines provide longer-term infrastructure value (50+ years), compared to solar which requires replacement in about 20 years (solar components degrade over that timeframe).
- It will increase community safety by replacing propane and wood.
- Natural gas service is reliable – no waiting for propane deliveries.
- It will provide SJV residents access to existing utility programs for disadvantaged communities, like bill discounts, no-cost home weatherization, furnace repair/replacement, and additional help for those with major health concerns.

- Residents will also have access to additional programs and services, such as energy efficiency rebates and conservation measures.

#### Environmental Benefits

- Replacing expensive, dirty propane and wood with a cleaner, more affordable product will help clean the air at a reasonable cost.
- Natural gas will reduce greenhouse gas emissions vs. propane and wood.
- It will also reduce particulate emissions that impact public health (according to the US EPA, wood smoke negatively impacts the lungs and heart, particularly among children and the elderly).
- Extending natural gas pipelines to local communities will provide the potential to leverage other CPUC rulemakings in the SJV, including dairy biomethane pilots.

#### Economic Benefits

- Bringing natural gas service to disadvantaged communities supports economic development.
- In the near-term, expanding natural gas service will provide jobs for local contractors (plumbing, appliance replacement/installation).
- An affordable, reliable supply of natural gas will attract businesses, bringing additional job opportunities to local communities with historically high unemployment rates.
- Economic growth will also enhance tax revenues that can be reinvested in the community.

#### Additional Issues to Consider with any Energy Transition

- Potential infrastructure upgrades
- Appliance replacement
- Increase in electric bills associated with electrification
- Full disclosure of transition costs

You can share your opinions with the CPUC by submitting a letter to the assigned Commissioner, the Honorable Martha Guzman Aceves, with a courtesy copy ('cc') to her advisor, Joanna Grubman, at 505 Van Ness Avenue, San Francisco, CA 94102. Alternately, you can email your comments to [mga@cpuc.ca.gov](mailto:mga@cpuc.ca.gov), with a 'cc' to [joanna.gubman@cpuc.ca.gov](mailto:joanna.gubman@cpuc.ca.gov), [edward.randolph@cpuc.ca.gov](mailto:edward.randolph@cpuc.ca.gov) and [darci.houck@cpuc.ca.gov](mailto:darci.houck@cpuc.ca.gov). Written or email correspondence to the CPUC that relates to an ongoing proceeding should identify the proceeding number (R.15-03-010).

**Recommendation:** Council approve resolution as presented.

**Financial Impact:** NA

**Environmental Impact:** None

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALIFORNIA  
CITY SUPPORTING SOUTHERN CALIFORNIA GAS COMPANY'S  
RECOMMENDATION TO THE CALIFORNIA PUBLIC UTILITIES  
COMMISSION (CPUC) FOR THE CITY TO RECEIVE FURTHER EXTENSION  
OF NATURAL GAS SERVICE, THERETO**

**WHEREAS**, the California Public Utilities Commission ("CPUC") proceeding, R.15-03-010, was initiated to identify disadvantaged communities in the San Joaquin Valley which includes the County of Kern, to analyze and implement economically feasible options to increase access to affordable energy, including natural gas extensions, in those disadvantaged communities; and

**WHEREAS**, natural gas extension would be a straightforward way to achieve the goal of bringing affordable, safe, and cleaner energy to the San Joaquin Valley including the County of Kern; and

**WHEREAS**, the community of California City has been identified to the CPUC as a proposed community for natural gas extension to the residences and conversion of the residences, and to the extent possible, providing all program benefits to the customers using local contractors and vendors, where possible, to promote economic development; and

**WHEREAS**, the benefit to the citizens of California City in receiving this utility service is paramount and brings affordable natural gas to most homes in our community.

**THEREFORE, BE IT RESOLVED** by the City Council of the City of California City as follows;

That the City supports Southern California Gas Company's recommendation to the CPUC to further extend natural gas service in California City to provide affordable, safe and reliable energy service.

**PASSED AND ADOPTED** by the City Council of the City of California City at a regular meeting duly held on the 12th Day of September 2017, by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

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Jennifer Wood, Mayor

**ATTEST:**

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Jan Sprague, Deputy City Clerk



# CITY COUNCIL

September 12, 2017

**TO: Mayor and City Council**

**FROM: Craig C Platt, Public Works Director**

**SUBJECT: Water Rate Study**

## **BACKGROUND:**

In 2014 Bartle Wells Associates completed a water and sewer rate study and the noticed Prop 218 "Proposed Water and Sewer Rate Change" Hearing was held and the City Council approved the new water and Sewer rates by Resolution Number 10-14-2584 and became effective on October 14<sup>th</sup>, 2014.

## **Are tiered rates now illegal?**

Tiered rates by themselves are not illegal. The recent court decision in San Juan Capistrano Taxpayers Association v. City of San Juan Capistrano affirmed the provision in Proposition 218 that prohibits water agencies from charging a water customer more than the cost of providing water to that customer. This thereby prohibits tiered rates unless the water agency can prove that the costs of providing water to one class of customer differs from that of another customer. It further prevents one class of customer from subsidizing another class of customer if the cost of providing water to each is the same.

In the case of Vacaville, it doesn't cost us any more or less to deliver water to our parks, schools, public buildings, businesses, residents, or seniors. Accordingly, our tiered rates were determined to be out of compliance with both the legislation and case law.

## **Reasons for the New Rate Study**

The current rates were recommended as part of a water rate study completed by the independent consulting firm of Bartle Wells Associates and were deemed necessary to address a number of issues impacting the Water fund, and the new study will address the need to:

- convert the current multiple consumption rate structure into a single consumption rate to comply with state laws and regulations;
- adjust the fixed (service) and variable (consumption) rate structure to more accurately recover actual costs incurred and mitigate the impact of fluctuations in future water consumption;
- recover lost revenue as a result of state mandated water conservation; and
- recover the costs of complying with the state's recently mandated chromium 6 requirements.

Since October 14, 2014, the water system revenues have increased from a negative 3.5 million to a negative \$745 thousand in the water fund. The restricted Capital Fund water standby fund has a current fund balance of 2.6 million and can only be used for replacement of infrastructure.

Sewer Rates will not be included in the study.

NB4

Proposals were received from two firms as follows:

Bartle Wells Associates	\$22,980	19,980 plus direct expenses not to exceed \$2,000
Full Spectrum Engineering Inc.	\$20,000	

### **Implementation Plan**

The proposed rate increase/decrease is a property related fee and thus must be implemented in accordance with the requirements of Proposition 218. The City attorney should be consulted on the proper procedures, notices, ordinances and resolutions necessary to adopt and implement the proposed rate increases/decreases. The general implementation plan is as follows:

1. City Council (and City attorney) reviews and accepts the report and recommendations.
2. The Council sets a date for a public protest hearing not less than 45 days after notices to customers have been mailed.
3. Mail customer notices with the proposed rates and time and date of the public protest hearing as well as any other required notice information as specified in Government Code Section 53753.
4. Hold public majority protest hearing.
5. Determine if there is a majority protest, and if not,
6. Adopt revised rate structure. Rates will go into effect beginning January 2018 if adoption occurs at the December council meeting.
7. Review revenue versus expenditures annually to verify assumptions and projections in Water Rate Study. Consider decreasing water rates if appropriate based on this review.
8. Conduct Water Rate Study update in FY21/22.

*Final Projected Water Rate Study to be submitted to Council December 2017.*

### **RECOMMENDATION:**

Authorize the Public Works Director to sign an agreement with Full Spectrum Engineering Inc. for a Water Rate Study not to exceed \$20,000.00

### **FISCAL IMPACT:**

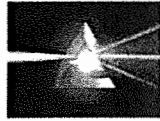
Water Rate Study	51-5115-630	\$20,000.00
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### **ENVIRONMENTAL ACTION:**

None



Full  
Spectrum Inc.  
Engineering



August 11, 2017

City of California City  
7800 Moss Ave.  
California City, CA 93505

Attention: Craig Platt, Public Works Director

Reference: **Water User Rate and Fee Study Update Proposal.**

Dear Mr. Platt:

Full Spectrum Inc. Engineering is pleased to provide a quote to amend, modify and update the City of California City 2014 Water rate study to better reflect the City's water system needs and goals. This study and associated report(s) would be completed in a similar manner as the 2015 Urban Water Management Plan, that is, Full Spectrum would work closely with California City staff to collect all the required data, analyze the data, and present the data so that the cost of each element to operate the City's water system is clearly identified and accounted for.

The City water system operates as an enterprise fund and as such to ensure the system remains functional and in good operating condition, the water enterprise fund must financially be in good condition. To accomplish this, water rates are required to be sufficient to fully cover all debt, operations, maintenance, and capital replacement costs as well as other costs and sufficient to building a reasonable emergency financial reserve.

#### **Approach to the Study**

All costs used to justify current or future water rates must be based on actual historic and current costs and reasonable projected future costs. These, cost can be broken down into Current Debt, Operation Costs, Maintenance Costs, Capital Costs, Emergency Reserve, and Other Costs. Full Spectrums approach is to accurately and transparently (with all supporting details) identify historic costs, and provide a tool to collect current costs. Then from the cost data reasonably project future costs thus letting the detailed transparent current costs data determine current and future rates. With transparent detailed data, the data can always be audited, adjusted, and/or substantiated providing rate justification.

**Current Debt:** Review historical and current total debt and debt payment amounts specifically the annual payment amounts along with annual production amounts such that a Debt: \$\$/Gallon cost can be obtained, and substantiated historically and can be calculated currently and projected as a part of future costs and rates.

**Operation Costs:** Review historical and current operational costs including electrical and fuel consumption for the city's 6 wells and 6 booster stations. Also, the costs of water purchases from

(AVEK) outside supplies, the costs of operational equipment such as SCADA systems and testing equipment, the costs of operational personnel, and other operational cost amounts specifically the annual costs amount along with annual production amounts such that an Operation: \$\$/Gallon cost with details can be obtained, and substantiated historically and can be calculated currently, and projected as a part of future costs and rates.

**Maintenance Costs:** Review historical and current maintenance costs including, the costs of maintenance equipment such as trucks and backhoes etc., the costs of maintenance personnel, and other maintenance costs and debt payment amounts specifically the annual costs amounts along with annual production amounts such that a Maintenance: \$\$/Gallon number can be obtained, and substantiated historically and can be calculated currently, and then projected as a part of future costs and rates.

**Capital Costs:** Review historical and current capital costs or asset replacement costs (Deprecation) including know planned replacement projects. Project life expectancy on existing equipment as well as the cost of replacement including cost escalation factors. Look at the long-term capital repairs and replacement needs of the City's water system. Based on specific equipment replacement cost, Life-expectancy, and water production gallons obtain a Capital: \$\$/Gallon number for each piece of water system equipment that can be substantiated historically and can be calculated currently, and then projected as a part of future costs and rates.

**Emergency Reserve:** Review historical and current Emergency cost amounts specifically the annual Emergency cost payment amounts along with annual production amounts such that an Emergency: \$\$/Gallon cost can be obtained, and substantiated historically and can be calculated currently and projected as a part of future costs and rates allowing the City to establish prudent reserve fund targets.

**Other Costs:** Review other costs historical and current specifically annual payment amounts along with annual production amounts such that Other: \$\$/Gallon cost can be obtained, and substantiated historically and can be calculated currently and projected as a part of future costs and rates.

#### **Water Rate Model:**

One major issue with water rate studies is that of educating the community, specifically the education of concerned ratepayers why there is a need for change in water rates and water rate structure. For this reason, Full Spectrum is proposing that a water rate model be developed in conjunction with the rate study that stores all historical costs as out lined above and also retains current costs, and allows the continued input of future cost and production data. The model would include a parent/child hierarchy that allowed relational cost analysis including the following key elements and zones:

Well 2A

Well 3

Well 10

Well 14

Well 15A

Well 16

AVEK

Main California City area:

Low Rancho

Upper Rancho Pressure Zone

Phase I (B)

Phase II (D)

Phase III (E)

Phase IV(F)

Phase IV(F) Pressure Zone

Others as needed

The model hierarchy, for example, would retain the fact that Well 2A, Well 3, Well 14, Well 10, Well 15A, and Well 16, and AVEK all deliver water to the Main City area and also to the Phase I(B) tank at a known cost and known gallons \$\$/gallon. In any given month (or Year) each element of the cost of water delivery would be stored in the model such that a total dollar cost and the total gallons produced would be known allowing the calculation of \$\$/gal. Model hierarchy would retain the fact that Phase II(D) is a child that receives water from Phase I(B) and thus the \$\$/gal for water delivered to Phase II (D) customers include the cost of getting the water from Phase I (B) to Phase II (D) and the cost of putting water into Phase I(B). The model can generate a cost report for Phase II(D) water that would provide the \$\$/gallon cost and would include the details of both Phase II(D) and I(B) that substantiates the costs. Similarly, a cost report could be generated of Phase IV(F) that would include the cost details of Phase IV(F), III(E), II(D), and I(B) and provide a total \$\$/gallon.

As future production and costs are updated in the model future real-time reports can be generated allowing the City to have better transparent public and rate payer education tools as wells as future capital financial planning tools. Proposition 218 as well as other legal rulings (California Code 66013, 66016, and 66022) require that rates are set with responsible compliance to due process and the City maintains transparent communications with it's residents and businesses. The Water Rate Model will allow the transparent sharing of the real-time water costs data with the breakdown of each cost detail such that specific details can be discussed, reviewed, and updated thus increasing the accuracy and improving the model's resultant reports.

From the model data Full Spectrum will develop a 10-year cash flow projection and financial plan, evaluate the City's existing water rate structure and water billing data and compare water revenues with existing water costs. And determine to what extent the existing rates are covering the existing costs or falling short. Then, develop prudent rate increase options that equitably allocate costs and allow the city's water enterprise fund to remain healthy. Also evaluate rate alternatives and the impact such rate increases will have on city customers.

As part of this project Full Spectrum will provide a draft and a final Water User Rates & Fee Study report summarizing key findings, alternatives, and recommendations according to Prop 218 requirements. Full Spectrum will be on site with a prepare presentation for a council workshop and will also be on site with a summary presentation for the Prop. 218 rate hearing. Full spectrum will also prepare a financial/production hierarchy based rate model database tool that can be updated with future data.

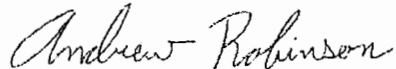
Full Spectrum will work closely with City staff to obtain the necessary cost and production data as well as system assets current age and estimated life from which a total \$\$/gallon can be derived as well as a detailed \$\$/gallon for each element. Completion of the proposed work is estimated to take 2 to 3 months based on the availability of water system data and cost information. Work can begin immediately once approved giving a projected completion date at the middle to the end of November.

The total not to exceed cost for the consulting services outlined here in is: **\$20,000.**

If you have any questions regarding the above project scope and cost, my contact information is below.

Thanks for the Opportunity.

Sincerely,

A handwritten signature in cursive script that reads "Andrew Robinson".

Andrew Robinson PE

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Mission Statement: Provide quality engineering services to safeguard life, health, and the property of clients, with integrity, ensuring that the services provided are worthy of the clients investment.

Full Spectrum Inc.  
P.O. Box 358  
Nephi, UT 84648

Email: [fullspec@juno.com](mailto:fullspec@juno.com)  
Phone: 435-623-4713  
Cell: 435-660-0489



**PROPOSAL FOR  
CALIFORNIA CITY  
WATER RATE STUDY UPDATE**

**August 16, 2017**



**BARTLE WELLS ASSOCIATES**

Independent Public Finance Advisors

Doug Dove, President

1889 Alcatraz Avenue

Berkeley, CA 94703

Tel: 510.653.3399

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**BARTLE WELLS ASSOCIATES**  
INDEPENDENT PUBLIC FINANCE ADVISORS

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August 16, 2017

Craig C. Platt  
Public Works Director  
City of California City  
21000 Hacienda Blvd.  
California City, CA 93505

Re: Proposal to Update the City's Water Rate Study

Bartle Wells Associates is pleased to submit this proposal to update the 2014 Water Rate Study we developed for California City. Our firm specializes in providing utility rate consulting and independent financial advisory services to California water agencies. We have extensive expertise developing long-term financial plans, utility rates, and development impact fees for a wide range of agencies. In addition, we have direct, local experience conducting water and sewer rate studies for the Indian Wells Valley Water District, the Helendale Community Services District, Palmdale Water District and the Mojave Water Agency.

We will utilize the same consulting team members (myself and Michael DeGroot) that worked on the City's 2014 study to prepare a comprehensive update of the water rates.

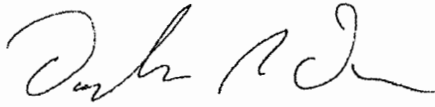
Major objectives of the rate study are:

- **Meet the cost of service:** the City's water system is operated as an enterprise fund and is wholly supported by water rates. The rates must be sufficient to meet costs.
- **Improve the financial health of the water enterprise:** Concurrent with meeting basic operating costs, our rate study will develop a plan to improve the financial health of the water system including meeting debt coverage requirements, planning for capital replacements, and building emergency reserves.
- **Utilize conservative planning assumptions:** Our water rate study update will carefully vet financial planning assumptions with the City including drought scenarios, growth and new development, conservation, and the effect of rate structure changes on consumption patterns.
- **Involve the public:** Our rate study process is to meet with the City and the public early in the project to receive input and understand the community's needs. BWA is very comfortable meeting with concerned ratepayers to explain the need for water rate and rate structure changes. Our final recommendations will be easy to understand and implement.

Bartle Wells Associates was established in 1964 and we have served over 500 public agencies. Throughout our years in business, we have helped cities modify their existing rate structures to provide a better balance of revenue stability and conservation incentive. We also serve as independent financial advisors and can advise the City on meeting bond covenants.

We are very interested in working with the City on this project and hope this proposal provides a suitable basis for our selection.

Sincerely,

A handwritten signature in black ink, appearing to read "Doug Dove". The signature is fluid and cursive, with a large initial "D" and a stylized "Dove".

Doug Dove, PE, CIPMA  
President



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## SUMMARY

Doug Dove will serve as the Project Manager and as the main contact person for the rate study. Doug's contact information is provided below:

Doug Dove  
Bartle Wells Associates  
1889 Alcatraz Avenue  
Berkeley, CA 94703  
ddove@bartlewells.com  
(510) 653-3399, ext. 110

The following sections describe in detail the qualifications, approach, and scope proposed by BWA. BWA has been in business for over fifty years and specializes in water and sewer rates and public finance. We have worked with many high desert agencies including the Mojave Water Agency and the Indian Wells Water District so we are very familiar with the issues facing California City.

Our project manager, Doug Dove, has extensive experience in adjusting tiered water rates, financial planning for capital projects, volume based sewer rates, and planning for the high cost of imported water. Doug has presented on these topics at industry conferences and has provided litigation assistance to agencies facing legal challenges. Doug and all BWA staff are fully up to date on the regulatory and legal climate of rate making in California. Doug has also served as financial advisor for billions of municipal debt issuances in California. He is highly qualified to review the debt covenants of the City.

## STATEMENT OF UNDERSTANDING

BWA understands the City's position of wanting to update the water rates for its constituents. With Proposition 218, and several legal rulings that have followed, the rate setting landscape requires responsible compliance with due process. We are familiar with that process and are highly experienced with garnering public approval for necessary rate adjustments. We have conducted hundreds of public workshops, presented at thousands of public hearings and are very familiar with the concerns that face California community utilities and customers.

BWA also understands the City's priority of maintaining transparent communications between the City and its residents and businesses.

## BACKGROUND AND EXPERIENCE



### **BARTLE WELLS ASSOCIATES**

Bartle Wells Associates (BWA) is an independent financial advisor to public agencies with expertise in water and wastewater rates and finance. Our firm was established in 1964 and is owned and managed by its principal consultants. We have over 50 years of experience advising local governments on the complexities and challenges in public finance. We have advised over 500 public agency clients in the western United States. We have a diversity of abilities and experience to evaluate all types of financial issues faced by local governments and to recommend the best and most-practical solutions.

Bartle Wells Associates has a stable, well-qualified professional team. Our education and backgrounds include finance, civil engineering, business, public administration, public policy, and economics. The firm is owned and managed by its principal consultants who have been with the firm for many years.

#### **PROFESSIONAL SERVICES**

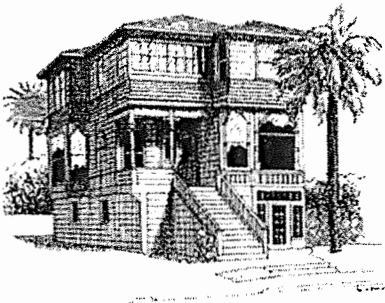
BWA specializes in three professional services: utility rate and fee studies, financial plans, and project financing. We are the only independent financial advisor providing *all three* of these interrelated services to public agencies.

#### **BWA Key Services**

- ***Financial Plans***
- ***Rate & Fee Studies***
- ***Project Financing***

**RATE AND FEE STUDIES** Our *rate studies* employ a cost-of-service approach and are designed to maintain the long-term financial health of a utility enterprise while being fair to all customers. We develop practical recommendations that are easy to implement and often phase in rate adjustments over time to minimize the impact on ratepayers. We also have extensive experience developing impact fees that equitably recover the costs of infrastructure required to serve new development. BWA has completed hundreds of water and wastewater rate and fee studies. We have helped communities

implement a wide range of water and sewer rate structures and are knowledgeable about the legal requirements governing rates and impact fees including Proposition 218 and Government Code 66000. We develop clear, effective presentations and have represented public agencies at hundreds of public hearings to build consensus for our recommendations.



Our offices are located in Berkeley, in a circa 1900 Victorian Building.

**FINANCIAL PLANS** Our *financial plans* provide agencies with a flexible roadmap for funding long-term operating and capital needs. We evaluate the wide range of financing options available, develop a plan that recommends the best financing approach, and clearly

identify the sources of revenue for funding projects and repaying any debt. We also help agencies develop prudent financial policies, such as fund reserve targets, to support sound financial management. BWA has developed over 2,000 water and wastewater enterprise financial plans to help public agencies fund their operating and capital programs, meet debt service requirements, and maintain long-term financial health.

**PROJECT FINANCING** Our *project financing* experience includes over 300 bond sales and numerous bank loans, lines of credit, and various state and federal grant and loan programs. We generally recommend issuing debt via a competitive sale process to achieve the lowest cost financing possible. To date, we have helped California agencies obtain over \$5 billion of bond financing, \$350 million in low-rate SRF loans and grants, and hundreds of millions in bank loans and lines of credit. We work only for public agencies; we are independent financial advisors and do not buy, trade, or resell bonds. Our work is concentrated on providing independent advice that enables our clients to finance their projects on the most favorable terms—lowest interest rates, smallest issue size, and greatest flexibility.

Bartle Wells Associates is a charter member of the *National Association of Municipal Advisors* (NAMA), which establishes strict criteria for independent advisory firms.



Bartle Wells Associates is committed to providing value and the best advice to our clients. Our strength is *quality*—the quality of advice, service, and work we do for all our clients.

**FIRM ORGANIZATION** Although we consider ourselves a small business with seven employees, we are one of the largest utility rate consulting firms in California since we specialize exclusively in utility finance. All of our staff members are knowledgeable about public finance and come from diverse backgrounds. All staff work out of a single office in Berkeley, California.

We remain available to provide support services as needed for the City. Doug Dove is a registered Professional Engineer in California and the majority of BWA staff are Certified Independent Professional Municipal Advisors. All BWA staff have experience drafting Proposition 218 notices and presenting at public hearings.

#### ***BUSINESS CONTACT INFORMATION***

Bartle Wells Associates  
1889 Alcatraz Ave., Berkeley, CA 94703  
Telephone: 510.653.3399  
Fax: 510.653.3769  
Website: [www.bartlewells.com](http://www.bartlewells.com)

#### ***Staff to be Assigned to Project***

##### Principal In-Charge

Doug Dove, PE, CIPMA  
Tel: 510.653.3399, ext. 110  
E-mail: [ddove@bartlewells.com](mailto:ddove@bartlewells.com)

Financial Analyst

Michael DeGroot

Tel: 510.653.3399, ext. 114

E-mail: michael@bartlewells.com

**Bartle Wells Associates was established in 1964 and is a California Corporation and certified State of California Small Business. The Federal ID number is 94-1664409. BWA is also a certified Small, Local, Emerging Business by Alameda County; certification number 03-90344.**

# **APPROACH TO RATE STUDY**

## ***GENERAL APPROACH***

BWA uses a team approach for all projects, typically assigning two or three consultants to each assignment, including at least one principal consultant. All project staff members, from the most senior partners to financial analysts, are available to clients at all times. We do this to ensure that someone knowledgeable about your project is available when you need them, whether for a phone call or meeting. Our approach focuses on communication. By maintaining frequent contact, the consultant-client project team can stay on task and meet shared benchmarks along the way. Throughout the process, BWA will meet as needed to review progress and receive feedback on interim deliverables.

Additionally, by keeping communication lines open with our clients, we're able to track and manage contract costs more actively. We have a well-earned reputation of staying on-track, on-time and on-budget. We submit monthly billing invoices with a brief description of services provided, services remaining, and project status. Our "not-to-exceed" is our promise to complete the job as described in the scope of services.

### **Key Issues**

We have identified the following key issues relating to the water rate study, based on our review of the RFP and prior experience developing rate and fee studies:

- The updated rates will be based on industry standard cost-of-service principles.
- The number of rate tiers will likely be reduced from the current five to one or two to meet cost justification requirements pursuant to the San Juan Capistrano decision.
- Allowances within various tier breakpoints will be reviewed and pumping zone charges will be considered.
- Fixed charges for large irrigation meters will be reviewed.
- Rates for specific communities (e.g., Wonder Acres) will be evaluated.
- Quality assurance is very important, so frequent communication and an iterative review of the project deliverables is essential before final submittal to the City.
- The final rate study and computer model will be easy to understand and legally defensible.

## ***PROPOSED PROJECT APPROACH***

This section presents a proposed, specific project approach that Bartle Wells Associates believes will form a sound basis for completing the assignment. BWA can work with the City to modify and finalize a scope of services that meets all of the City's objectives and scheduling needs. In accordance with BWA's general project approach, we work closely with staff and other members of the project team, identify objectives, communicate frequently, and remain flexible to resolve new issues as they arise.

Our proposed approach is to assess the current condition of the City's water enterprise, then evaluate alternative scenarios to develop rates that best fit the City's needs, followed with working with City staff and Council through the public approval process. This will involve conducting the rate study in **three**

phases. Phase I for preliminary investigations, Phase II for analysis and planning, and Phase III for presentation and approval.

**Phase I—Discovery** will begin with a kick off meeting and information collecting and proceed into evaluating the enterprise’s current financial condition. It will conclude with developing the revenue requirements for the water enterprise. These initial findings will be submitted to the City for staff review and comments. After City staff has reviewed and provided feedback on Phase I, we continue on to the second phase.

**Phase II—Analysis** will consist of developing the cost-of-service profile for each customer class and identifying and evaluating alternative rate scenarios. This phase also includes evaluating impacts on individual City customers, drought scenario revenue recovery testing and developing recommendations based on BWA/City team input. We finalize the process by working with the City staff to arrive at complete, practical and defensible rate study and financial plan tailored to meet the City’s financial needs.

**Phase III—Approval** will begin with presenting a draft report to the Council, and/or any sub-committees, and incorporating any feedback. BWA will also develop a final draft report for public approval, and assist the City with the Proposition 218 process. BWA will present the final draft report to the Council to begin the public approval process. Doug and Michael will also be present to address any Council and public comments or questions at the final public hearing.



BWA has not included any subconsultants in our proposal. BWA staff are more than qualified to meet the City’s needs in regards to the rate study and any financial advisory work. On occasion and with approval from the client, BWA has contracted with printing and translation services to produce and mail Proposition 218 notices. These additional services are billed directly to the client.



BWA staff are up to date on legal and regulatory developments affecting water rate setting. During our weekly staff meetings, employees provide updates on legal cases, conference presentations, and news from professional organizations that BWA is member of such as the American Water Works Association, the Association of California Water Agencies, and the California Association of Sanitation Agencies. We are available to provide legal context to the City on influential court decisions such as the Palmdale decision, the Big Horn Desert View decision, and the recent San Juan Capistrano decision.

## **SCOPE OF SERVICES**

This section presents a draft scope of services that we believe forms a sound basis for completing this assignment. We have included scope items for both the water and sewer rate study. Bartle Wells Associates will work with the City to finalize a scope of services that meets the City's objectives and schedule.

### ***TASK A. PROJECT INITIATION & DATA COLLECTION***

#### **1. Project Team Orientation**

To initiate our work, hold a conference call with City staff and others as appropriate, to accomplish the following:

- Identify members of City staff, Council subcommittees, engineering consultants, and other consultants/advisors who will participate in the project.
- Determine the roles and responsibilities of all project participants.
- Identify other parties that may have a significant interest in the project, such as community groups, business organizations, and large customers.
- Establish project schedule and key milestone dates.
- Confirm the key goals and expectations of the project team.

#### **2. Investigation and Data Collection**

Assemble the information necessary to understand the City's water system, finances, customers and usage, rate and fee structures, and legal agreements with other agencies. Assistance and cooperation of City staff will be needed to assemble the relevant background information. The objectives of investigation and data collection are to develop a complete understanding of the water enterprise and its finances, and to reach an agreement on basic assumptions to be used in the study.



**Task A Deliverables Include:**

- Project kickoff meeting
- List of project goals and objectives
- Final project schedule and budget
- Project team contact list
- List of key assumptions and alternatives underlying the utility rate and fee studies

***TASK B. 10-YEAR UTILITY ENTERPRISE FINANCIAL PLANS***

**1. Develop Forecasts and Projections**

Based on evaluation of the data assembled and input provided by staff and other members of the project team, prepare forecasts and projections to be used in the development of financial projections for the City's water system. Develop projections for the following areas (and others as appropriate):

**Growth and Development/Redevelopment:** Evaluate historical growth trends and develop appropriate and conservative assumption for future development and redevelopment that can be incorporated into the financial plan/rate model. Demonstrate effect of financing assumptions of faster and slower growth rates.

**Cost Escalation Factors:** Review historical cost trends and work with project team to develop reasonable cost escalation factors for both operating and capital expenditures. Work with staff to estimate potential new operating costs, such as new O&M costs related to planned capital improvements, or costs for complying with future permit requirements.

**Long-Term Capital Repairs & Replacements:** Based on input from City staff, determine a reasonable amount to include for future, ongoing capital repairs and replacements for the City's water utility. BWA often recommends that agencies phase in funding for long-term system rehabilitation as rates are gradually increased.

**Water Demand, Supply, & Cost:** With City input, forecast water demand, future conservation projections and sources of supply. Evaluate alternative water supply and cost scenarios as warranted.

**2. Evaluate Financing Alternatives for Capital Improvements**

Evaluate options for financing proposed capital improvement projects. Our evaluation will:

- Estimate the amount and timing of any debt, if needed, to finance capital projects.
- Evaluate the alternative borrowing methods available including bonds, COPs, state and federal loan programs, bank loans and lines of credit, and other options.
- Recommend the appropriate type of debt, its term and structure.
- Develop possible combinations of financing methods, such as cash and debt, and a mixture of borrowing options.

**3. Establish Prudent Minimum Fund Reserve Targets**

Establish prudent minimum fund reserve targets based on the City's operating and capital funding projections. Develop an implementation plan for achieving and maintaining the recommended reserve levels.

#### **4. Develop 10-Year Cash Flow Projections**

Develop cash flow projections showing the financial position of the City's water enterprise over the next 10 years. The cash flows will project fund balances, revenues, expenses, and debt service coverage, and will incorporate the forecasts developed with staff input, including funding needs for future repairs and replacements. After developing a base-case cash flow scenario, we can develop alternatives for additional evaluation such as capital project alternatives, project financing alternatives, the impacts of different levels of growth, and the impacts of various levels of water conservation, etc. During this phase, BWA will work closely with the project team to develop financial and rate projections under alternative scenarios. BWA typically recommends that rate increases be phased in over time to minimize the annual impact on ratepayers.

#### **5. Evaluate Rate Increase Options**

Based on the cash flow projections, determine the annual revenue requirements for the water utility enterprise and project required rate increases. Evaluate the financial impact of various rate adjustment alternatives, such as phasing in required rate increases over a number of years. If appropriate, develop a reduced rate alternative and evaluate impacts on the City's ability to fund capital projects.

#### **6. Review Existing Financial Policies & Recommend New Policies as Appropriate**

Review the City's existing financial and/or rate policies relevant to the City's water enterprise. Discuss potential policy modifications and/or other policies that the City may want to consider adopting to help provide policy guidance for long-term financial health.

##### **Task B Deliverables Include:**

- Summary of 10-year capital improvement funding needs for water utility along with identification of capital project alternatives for evaluation
- Evaluation of financing alternatives for capital improvements and recommended financing approach or approaches
- Survey of fund reserves of other regional and/or comparable agencies
- Recommendation for minimum fund reserve targets
- 10-year financial projections and financial plan along with all supporting tables
- Identification of alternative rate increase scenarios for City evaluation
- Meet with City to present findings, discuss alternatives, gain input, and develop preliminary recommendations

#### ***TASK C. WATER RATE STRUCTURE ALTERNATIVES***

##### **1. Review the City's Existing Water Rate Structure**

Review the City's existing rate structure and discuss advantages and disadvantages compared to other rate approaches. Summarize and discuss finding with the City's project team.

## **2. Conduct Rate Survey of Comparable Agencies**

Review and summarize water rates of other regional and/or comparable agencies. Summarize results in easily understandable tables and/or charts.

## **3. Analyze Utility Consumption Data**

Evaluate current and historical water usage, utility billing data, and production data to determine reasonable and conservative estimates of demand to use in developing rate options. Water use can fluctuate from year to year depending on various factors such as weather and local and regional conservation efforts. Ideally, we would prefer to analyze 3 years of utility billing data in order to determine demand projections.

## **4. Identify Rate Structure Modifications & Alternatives**

Identify alternative rate structures or modifications to the City's existing water rates designed to improve equity and/or better achieve City objectives. Discuss pros and cons of different rate structure options and their general impacts on different types of customers. Rate structure options will be refined as the study progresses based on input from the City's project team. Some potential rate structure modifications may include the following:

- Changes to fixed vs. revenue charges and revenue recovery
- Revisions to the number of water rate tiers, tier breakpoints, and/or tier steepness
- Potential modifications to ensure equity between residential and non-residential rates
- Breakout costs or surcharges for debt service, capital improvements (waterline replacement), water purchases etc. or passthroughs of inflation or imported water costs as allowed by Proposition 218

## **5. Allocate Costs to Billing Parameters for Water Utility**

Identify parameters for equitably allocating costs. Allocate revenue recovery targets identified in the financial plans to appropriate rate parameters to determine the underlying unit charges that will be used to calculate rates. Apply the underlying unit rates to the water use profiles of each customer class to ensure rate equity between different types of customer classes.

## **6. Develop Preliminary & Final Rate Recommendations**

Based on the rate analyses and the financial plan update, develop draft rate recommendations. The recommendations can include a multi-year phase in of both overall rate increases and proposed rate structure adjustments. Review preliminary recommendations and key alternatives with the City's project team. Based on input received, develop final draft water rate recommendations.

Final rate recommendations will be designed to a) fund the water utility's long-term costs of providing service, b) be fair and equitable to all customers, c) provide a prudent balance of revenue stability and conservation incentive, and d) comply with the substantive requirements of Prop. 218. Based on input from staff, develop a plan for implementing any rate structure modifications and/or rate adjustments.

## **7. Evaluate Rate Impacts on City Customers**

Calculate the rate impacts of each rate alternative on a range of utility customers (e.g. different customer classes, customers with different levels of water use, etc.) Work with the project team to identify customer and usage profiles to use for calculating the rate impacts. Discuss additional rate structure adjustments that may reduce the impact on certain customers if warranted and/or requested by the project team.

## **8. Compliance With Proposition 218**

BWA remains available to assist the City with drafting the Prop. 218 rate notice. BWA recommends the notice go beyond the minimum legal requirements and provide clear and concise explanation of the reasons for any rate adjustments. We have found that ratepayers are generally much more accepting of rate increases or rate structure modification when they understand the reasons underlying the changes.

### **Task C Deliverables Include:**

- Utility rate surveys
- Independent evaluation of existing water rate structures
- Analysis of water billing data
- Identification of rate alternatives and their impacts
- Meet with City to present findings, discuss alternatives, gain input, and develop preliminary rate structure recommendations

## ***TASK D. MEETINGS, PRESENTATIONS, REPORTS, & FINANCIAL MODEL***

### **1. Meetings (3 meetings including 1 kickoff meeting and 2 City Council presentations)**

Meet with the City's project team to present and present findings, discuss alternatives and their impacts, gain ongoing input, and develop and hone recommendations.

### **2. Prepare Draft & Final Reports & Present Findings**

Submit a draft summary report for City review and feedback. The report will summarize key findings and recommendations and discuss key alternatives when applicable. Receive input on draft report from the City's project team. Prepare final reports incorporating input received.

### **3. City Council Workshop (1 Workshop and attendance at the Prop. 218 Rate Hearing)**

Develop a PowerPoint presentation and present findings, recommendations, and alternatives to the City Council. Revise the PowerPoint presentation as needed and present final draft recommendations. The presentation will provide brief background and study objectives, make a clear case why rate adjustments are needed, describe the rate structure (and potentially key alternatives, show rate impacts on various customer profiles, present findings of the rate survey, and discuss related financial and policy recommendations. Council input will be incorporated into final recommendations and the final report. BWA will also attend the Prop. 218 Rate Hearing and provide a summary presentation, if desired.

### **4. Develop a User-Friendly Rate Model**

Develop a simple and straightforward Excel-based financial and rate model to enable the City to evaluate financial scenarios and project future utility rates. The model will enable City staff to update financial information and key assumptions, and evaluate the impacts of various rate increase alternatives on fund reserves, debt service coverage ratios, and customer bills. BWA has developed numerous rate and financial models for utility enterprises. We have found that keeping a model as straightforward as possible, without unnecessary complexity, can increase the model's usability and improve effectiveness as an in-house planning tool.

#### **Task D Deliverables Include:**

- Draft and final reports summarizing key findings, alternatives, and recommendations
- PowerPoint presentation summarizing key findings, alternatives, and recommendations for Council Workshop
- Summary PowerPoint presentation for the Prop. 218 Rate Hearing, if appropriate
- User-friendly financial and rate models for each utility in Excel
- Attendance at 3 meetings total including the initial kickoff meeting and presentations at a Council Workshop and a summary presentation at the Prop. 218 Rate Hearing

## PROJECT TEAM

With our firm's completion of over 3,000 assignments and 500 California clients, we have substantial experience and knowledge to draw upon and are well qualified to conduct all work in-house, and will not require any subcontractors. As such BWA proposes to assign the same team that worked on the 2014 rate study: Doug Dove, president of the firm, as project manager and principal-in-charge for this engagement and Michael DeGroot, a financial analyst.

Doug is President of BWA and a principal consultant with over 25 years of professional experience, specializing in all areas of public finance, including utility rate setting, capacity fee implementation, strategic financial planning and bond marketing. Mr. Dove assists public agencies in conducting utility rate and development impact fee studies, evaluating financing alternatives for capital projects, and securing project financing.

Michael has been a financial analyst with BWA for three years. He is an expert in providing analytical support and the evaluation of financial impacts, and he is exceptional at developing projections. He specializes in financial modeling, budget analysis, program auditing, rate setting, and working closely with team members and agency staff to develop realistic, long-term financial plans.

In general, all tasks will be completed by BWA, and no subconsultants are needed for this assignment. To outline duties more specifically, Doug will oversee all work, be the District's day-to-day contact person and lead all workshops. Michael will provide project support, in-depth analysis and work closely with Doug and City staff to develop recommendations. The BWA team will complete the analysis and develop recommendations for City staff to review and comment based on likely scenarios. Together in this manner, the BWA/City team will develop rate adjustment options to present to the Council.



***Doug Dove, P.E., CIPMA***

Project Manager

Douglas R. Dove is President of BWA and a principal consultant with over 25 years of experience specializing in utility rate setting, capacity fee implementation, strategic financial planning and project funding. Since joining BWA in 1990, he has developed rates and financial plans to support hundreds of public works capital programs. Mr. Dove assists public agencies in conducting utility rate and development impact fee studies, evaluating financing alternatives for capital projects and in securing project financing, including state and federal grants, loans and bonds. He recently finished his term on the board of directors of the National Association of Municipal Advisors (NAMA).

**Education:**

M.S., Civil Engineering, University of California, Berkeley

**Certifications:**

Certified Independent Professional Municipal Advisor (CIPMA)  
FINRA Series 50 and Professional Civil Engineer, California, #45642



***Michael DeGroot***

Financial Analyst III

Michael DeGroot has been a financial analyst with Bartle Wells Associates for over three years. He specializes in building rate design models and developing financial projections. He works closely with the BWA principal consultants, public agency staff, engineers and other consultants to develop equitable rates, connection fees and long-term financial plans for utility enterprises. Mr. DeGroot also assists with the development of policy design, resolution drafting and public outreach efforts.

**Education:**

B.S., Business Administration, University of California, Berkeley

## AVAILABILITY & FEES

1. Bartle Wells Associates is prepared to begin work upon the City's authorization to proceed.
2. During the project development period, we will be available at all reasonable times and on reasonable notice for meetings and for consultation with City staff, attorneys, consulting engineers, and others as necessary.
3. Bartle Wells Associates will perform all work related to the assignment. Doug Dove, a firm principal and President will be assigned as project leader on this assignment. He will serve as the lead contact person for BWA and will be involved with the project a day-to-day basis.
4. The fees for services outlined in this proposal will not exceed \$19,980 plus direct expenses estimated not to exceed \$2,000 for the Water Rate Study.

The fee is based on the following assumptions:

- a. The project will be completed by January 1, 2018 or other mutually agreeable date preferred by the City. BWA will work to meet all City scheduling requirements and deadlines.
  - b. All necessary information will be provided by the City and/or its other consultants in a timely manner.
  - c. Development of draft, final draft, and final versions of tables. Time and expenses involved in revising tables and assumptions may constitute additional services if not achievable within the budget.
  - d. The fee is based on a total of up to 3 trips to the City for meetings and presentations including the Proposition 218 rate hearing.
5. Progress payments and direct expenses are payable monthly on a time and materials basis as the work proceeds as provided in our Billing Rate Schedule 2017, which will remain in effect for this project.
  6. In addition to the services provided under this proposal, the City may authorize Bartle Wells Associates to perform additional services for which the City will compensate us based on consultants' hourly rates at the time the work is performed, plus direct expenses. Additional services may include, but are not limited to:
    - Meetings or presentations in excess of three (3) scheduled meetings/presentations
    - Changes in project scope
    - Delays in project schedule
    - Any other services not specified
  7. Bartle Wells Associates will maintain in force, during the full term of the assignment, insurance as provided in the Certificate of Insurance attached.
  8. If the project is terminated for any reason, Bartle Wells Associates is to be reimbursed for professional services and direct expenses incurred up to the time notification of such termination is received.

This proposal may be withdrawn or amended if not accepted within 120 days of its date.



# BILLING RATE SCHEDULE

## BARTLE WELLS ASSOCIATES BILLING RATE SCHEDULE 2017

Rates Effective 1/1/2017

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### Professional Services

Financial Analyst I.....	\$105 per hour
Financial Analyst II.....	\$125 per hour
Financial Analyst III.....	\$145 per hour
Senior Financial Analyst.....	\$175 per hour
Senior Consultant .....	\$205 per hour
Principal Consultant.....	\$245 per hour

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The professional time rates include all overhead and indirect costs. Bartle Wells Associates does not charge for administrative support services and internal computer time. Expert witness, legal testimony, or other special limited assignment will be billed at one and one-half times the consultant's hourly rate.

The above rates will be in effect through December 31, 2017 at which time they will be subject to change.

### Direct Expenses

Subconsultants will be billed at cost plus ten percent. Word processing and computer-assisted services related to official statement production are charged as direct expenses at \$60 per hour. Other reimbursable direct expenses incurred on behalf of the agency will be billed at cost plus ten percent. These reimbursable costs include, but are not limited to:

- Travel, meals, lodging
- Long distance telephone and fax
- Printing and report binding
- Special statistical analysis
- Outside computer services
- Bond ratings
- Automobile mileage
- Messenger services and mailing costs
- Photocopying
- Graphic design and photography
- Special legal services
- Legal advertisements

### Insurance

Bartle Wells Associates maintains insurance in the amounts and coverage as provided in the attached schedule of insurance. Additional or special insurance, licensing, or permit requirements beyond what is shown on the schedule of insurance are billed in addition to the contract amount.

### Payment

Fees will be billed monthly for the preceding month, and will be payable within 30 days of the date of the invoice. A late charge of 1.0 percent per month may be applied to balances unpaid after 60 days.

# SCHEDULE

Below is our proposed project schedule.

**Proposed Project Schedule**  
**City of California City - Water Rate Study**

TASK	September				October				November				December			
PROJECT INITIATION & DATA COLLECTION																
10-YEAR UTILITY ENTERPRISE FINANCIAL PLANS																
WATER RATE STRUCTURE ALTERNATIVES																
MEETINGS, PRESENTATIONS, REPORTS, & FINANCIAL MODEL																
45 Day Notification Period																

*Note: Individual project milestones will be established based on consultation with City staff.*

# AGREEMENT AND INSURANCE

BWA does not propose any changes to the Professional Services Agreement provided by the City. Please find our Schedule of Insurance attached.

## SCHEDULE OF INSURANCE

Insured: BARTLE WELLS ASSOCIATES

*Bartle Wells Associates will maintain in force, during the full term of the assignment, insurance in the amounts and coverage as provided in this schedule. If additional insurance is required, and the insurer increases the premium as a result, then the amount of the increase will be added to the contract price .*

TYPE OF INSURANCE	COMPANY POLICY NUMBER	COVERAGES AND LIMITS	EXP. DATE
Commercial General Liability	Hartford Insurance Company Policy #35-SBA PA6857	<ul style="list-style-type: none"> <li>■ \$2,000,000 General Aggregate</li> <li>■ \$2,000,000 Products Comp/Op Aggregate</li> </ul>	6/1/18
Excess/Umbrella Liability	Hartford Insurance Company Policy #35-SBA PA6857	<ul style="list-style-type: none"> <li>■ \$2,000,000 Personal &amp; Advertising Injury</li> <li>■ \$1,000,000 Each Occurrence</li> <li>■ \$1,000,000 Aggregate</li> <li>■ \$1,000,000 Each Occurrence</li> </ul>	6/1/18
Automobile Liability	Hartford Insurance Company	<ul style="list-style-type: none"> <li>■ \$1,000,000 Combined Single Limit</li> </ul>	6/1/18
Policy #35-UEC VU2842			
Workers Compensation & Employers' Liability	Hartford Underwriters Insurance Company Policy #35-WEC FG7858	<p>Workers' Compensation: Statutory Limits for the State of California.</p> <p>Employers' Liability:</p> <ul style="list-style-type: none"> <li>■ Bodily Injury by Accident - \$1,000,000 each accident</li> <li>■ Bodily Injury by Disease - \$1,000,000 each employee</li> <li>■ Bodily Injury by Disease - \$1,000,000 policy limit</li> </ul>	6/1/18
Professional Liability	Chubb & Son, Inc.	Solely in the performance of services as municipal financing	6/1/18
	81714947	consultants for others for a fee.	
		Limit: \$2,000,000 Per Occurrence & Aggregate (including defense	
Excess Professional	ACE	costs, charges, and expenses).	
	G27437606001	Excess Professional Limit: \$2,000,000 Per Occ. & Aggregate	

# ATTACHMENTS

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## **DOUGLAS R. DOVE, PE, CIPMA**

### **Project Manager**

Douglas R. Dove is President of Bartle Wells Associates and a principal consultant with over twenty years of infrastructure finance and cost of service ratemaking experience. He specializes in strategic financial planning, bond marketing, utility rate setting, and development impact fees. Since joining BWA in 1990, he has worked for a wide variety of public agencies and developed financing plans to support over 100 public works capital programs.

Mr. Dove assists public agencies in evaluating financing alternatives for capital projects, conducting utility rate and development impact fee studies, and in securing project financing including state and federal grants and loans and bonds. He has extensive experience developing rates and charges for water, wastewater, reclaimed water, and stormwater enterprises. He has substantial experience representing public agencies as an independent financial advisor on the issuance of debt. He recently finished his term on the board of directors of the National Association of Municipal Advisors.

### **Recent Assignments**

- **City of Davis:** Water rate study and long-term capital financing plan. Worked with 15 member committee to develop best rates possible.
- **East Bay Municipal Utility District:** Water system rate study and connection fee review. Wastewater cost allocation study and review of capacity fee, financial evaluation of District's Resource Recovery Program. Review of Wet Weather Facilities Charges collected on county property tax bills.
- **City of Santa Clara:** Wastewater rate and connection fee study. Developed excessive user fees and conveyance fee. Worked closely with staff and Council.
- **City of Morgan Hill:** Water and wastewater financial plans, rate studies and capacity fees review
- **Helendale Community Services District:** Water and wastewater utility rate studies. \$2.8 million project financing.
- **Sunnyslope CWD:** Water and wastewater rate studies and connection fees, financing plan for wastewater treatment plant, procurement of \$11.5 million SRF loan for wastewater treatment plant.
- **Elk Grove Water District:** Developed a long-term financing plan and rates to fund operating and capital needs. Worked with staff and a citizen's advisory committee (CAC) to build community consensus.
- **El Dorado Irrigation District:** Water and wastewater financial plans, rates and bond sales.
- **Association of Bay Area Governments:** Financial advisor for California's first competitively-sold, pooled revenue bond financing program for water and wastewater agencies.
- **South Bay (San Jose Area) Water Recycling Program, Phases 1 & 2:** Financial plan and rate study for \$200+ million regional wastewater recycling program.

### **Memberships**

National Association of Municipal Advisors (former board member)  
League of California Cities  
Association of California Water Agencies  
California Association of Sanitation Agencies

### **Education**

M.S., Civil Engineering, University of California, Berkeley

### **Certifications**

Certified Independent Professional Municipal Advisor (CIPMA), and registered Professional Engineer (PE) in California

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## **MICHAEL DEGROOT**

### **Financial Analyst III**

Michael DeGroot is a financial analyst with Bartle Wells Associates. He works closely with City staff, engineers, lawyers, and other consultants to develop equitable rate structures for water, sewer, and solid waste enterprises. Mr. DeGroot specializes in developing long-term financial plans, meter and commodity rates, surcharges, and capacity fees for Cities and special Districts. Additionally, he is experienced modifying and implementing Proposition 218 compliant water budget rate structures and drought surcharges.

### **Recent Projects**

- **City of California City:** Water and sewer rates, impact fees, and miscellaneous charges.
- **Palmdale Water District:** Water budget rate study.
- **Indian Wells Valley Water District:** Water rate study.
- **Glendale Water and Power:** Water rate study & bill calculator.
- **City of Palmdale:** Sewer rate study.
- **Crestline Sanitation District:** Sewer rate study.
- **City of Fresno:** Water & sewer capacity fees.
- **City of Milpitas:** Water rate study.
- **City of Alameda:** City-wide capital improvement budget.
- **City of Foster City:** Water and sewer rate study & alternative rate structure analysis.
- **Contra Costa Water District:** Excess water use charge analysis.
- **West Valley Sanitation District:** Detailed financial plan, including debt funding alternatives for significant expenditure projections related to the \$2 billion wastewater facility upgrade.
- **City of Benicia:** Sewer rate analysis and drought option.
- **Malaga County Water District:** Water and sewer rate study.
- **Sutter Community Services District:** Water rate study and financial plan.
- **City of Hughson:** Water rate study and SRF loan support.
- **Stege Sanitary District:** Sewer rate study.
- **City of Santa Clarita:** Feasibility study of the City's takeover and operation of its sewer enterprise from LACSD.

### **Education**

B.S., Business Administration – U.C. Berkeley Walter A. Haas School of Business, Berkeley, CA

